



Presidential Climate Action Project

Climate Action Brief: The Spotlight Moves to the White House

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Now that Congress has failed to enact a market-based mechanism to reduce America's greenhouse gas emissions, the climate-action spotlight moves squarely onto the next president.

The new administration will be the next-best hope for federal leadership on this critical issue. That will remain the case regardless of the composition of the 111th Congress. Using his existing authority under the law, the president will be able to move more quickly and decisively than the legislative branch.

The Presidential Climate Action Project has issued more than 300 proposals for climate leadership by the 44th President, including many that can be accomplished without further action by Congress.¹ For example:

- Immediately after taking office, the president should direct the U.S. Environmental Protection Agency to begin regulating carbon dioxide emissions under the Clean Air Act – authority confirmed last year by the U.S. Supreme Court in the case of *Massachusetts v. EPA*. Using a slightly modified State Implementation Plan process, each state would fashion its own greenhouse gas reduction plan to meet EPA's targets. Led by Pennsylvania State University Professor Robert B. McKinstry, Jr., several states have begun discussing how the process can be used expeditiously to regulate greenhouse gases.

¹ PCAP has commissioned an analysis of presidential authority to act on climate change. It can be found at http://www.climateactionproject.com/docs/CEES_Report_1_2008.pdf.

Regulation would put emission reductions in motion while Congress deliberates and the government refines a market-based approach, such as cap-and-auction. If and when the market mechanism is implemented, regulation would become moot.

- The president should meet with congressional leaders to collaborate on the most effective market approach. He should point out that the administration appears to have the authority to create a cap-and-trade system under the Clean Air Act, as it has done in the past. But an act of Congress is preferable to a power struggle between the branches.

For openers, the president should introduce an “upstream” bill that would auction emission allowances to the 1,500 or so points at which fossil fuels enter the U.S. economy – wellheads, mine mouths and ports, for example. This approach -- far simpler and more transparent than the approaches considered so far by Congress -- would have economy-wide impact as the price on carbon trickles down to all types of fossil energy uses.²

- At the same time, the president should propose that Congress appropriate a healthy set of incentives for states to take climate action and to experiment with new approaches. PCAP has proposed that the existing State Energy Program be funded at \$1 billion annually by redirecting subsidies now provided to fossil energy industries. States would use the funds to create climate action and energy security plans that could be incorporated by reference into State Implementation Plans.

By failing to take action on climate change, Congress has passed the ball to the executive branch. The next president should run with it, using the administration’s existing authority while offering to work closely with Congress to make climate action an explicit part of the nation’s laws.

This brief was prepared by the nonpartisan Presidential Climate Action Project at the University of Colorado Denver. PCAP, which is developing a 100-day climate action plan for the next President of the United States, issues briefs from time to time for the use of the presidential candidates as they consider policies to deal with climate change. Details are available at www.climateactionproject.com.

² For a detailed description of upstream regulation, see the white paper written for PCAP by Yale economist Robert Repetto at <http://www.climateactionproject.com/docs/Repetto.pdf>.