



Representative Ken Wells speaks about carbon cash-back to a meeting of the Kearsarge Climate Action Group in New London Photo: Larry Chase

# Opinion

## New Hampshire Should Put a Price on Pollution

HB 735 would respond to Andover's 2007 vote

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Hillsborough District 40

In 2007, 164 New Hampshire towns, including Andover, passed warrant articles calling for our political leaders to take action on climate change. The warrant articles called upon New Hampshire and US legislators and the President to protect New Hampshire's people from the predicted economic and environmental impacts of "doing nothing." The people spoke, but the question remained: What should we do?

Well, it turns out that people all over the world have already figured out the most effective way to rapidly bring down harmful pollution: Stop making it free.

When pollution is free, we get too much of it. In a January 17, 2019, *Wall Street Journal* article, 3,354 United States' economists argued for a carbon fee and dividend program in the United States. Their idea: charge fossil fuel polluters to correct a market failure that externalizes the costs of their pollution, then rebate equal shares of the money collected to consumers to shield them from any resulting increase in costs. They argued that only a market-based approach could both address the scale of the pollution problem and support consumers during the economic transition.

So while New Hampshire is not often a leader in New England energy policy, we have the chance to pass a carbon cash-back bill (House Bill 735) that finally responds to those 164 town warrant articles with a proven solution. We could be the catalyst for all the pending bills at the state and federal level, just as British Columbia led the way for all of Canada in 2018.

The New Hampshire bill proposes charging a penny a pound for pollution (or \$20 per ton) to fossil fuel producers importing into the state. The carbon price will generate approximately \$300 million in year one based upon New Hampshire's estimated emissions (roughly \$300 cash back per adult). HB 735 proposes the fairest distribution method: equal shares to every Granite Stater over 18. The carbon price increases \$10 per year for 10 years. As emissions go down, individual cash-back payouts go up, giving consumers more energy investment options while the air gets cleaner.

New Hampshire's carbon cash-back (CCB) program would use an opt-in process, like the petroleum dividend

enjoyed by Alaskan residents, administered as a revenue-neutral pass-through, not a tax, from the fossil fuel producer to the energy consumer. The money is paid to citizens, not spent on state expenses.

Carbon pricing has been adopted in 46 countries, but the places delivering cash back have had the best overall results. Independent studies show the lowest three-fifths of New Hampshire households by income break even or receive more cash back than they pay out. In terms of economics, investments in clean energy spur new jobs and accelerate community and business innovation.

Though naysayers have dominated the policymaking for some time, we really do have to find a way for New Hampshire to transition to a new energy economy that will keep it competitive in the 21st century.

Critics often cite higher gas prices as a reason to maintain the status quo (as though we have ever had any real control over OPEC's price per barrel). But, when we paid higher gas prices in the past, we received no annual rebate and gained no benefit to our economy or the environment. It's time to stop subsidizing fossil fuels by allowing them to pollute for free.

The Congressional Budget Office estimates that the per-gallon increase due to a carbon cash-back program would be approximately 18 cents per gallon in 2021 (Gas prices have risen far more than 18 cents this past year and it hasn't registered in the news.).

Arguments against carbon cash-back center on the idea that fuel costs will remain low if we do nothing, or that they will be inordinately high if we take action. But the 3,354 U.S. economists disagree. Fossil fuel costs will rise as our emissions problems worsen, and fossil fuel dependence will rise if market prices continue to be kept artificially low. So, if we don't break the cycle, our current course leads to more cost, more pollution, and more dependence. In fact, our most costly course of action is to keep ignoring the problem.

We need to build the political will to change our polluting ways. Help us continue the discussion at town meetings across the state as HB 735 moves through the legislative process in 2020. To learn more and help build support for Andover's petition, please check out the Carbon Cash-back Coalition at CarbonCashBack.org.

*With minor changes, this article appeared originally as a "My Turn" column in The Concord Monitor on January 3, 2020.*

## Warrant Article Collects Signatures From Andover Residents

Resolution to take action on climate pollution

Larry Chase

As this issue of The Beacon went to press, the Andover Energy Group had just collected the 25 signatures of Andover residents needed to bring a warrant article entitled "New Hampshire Resolution to Take Action on Climate Pollution" up for a vote by Andover residents attending their Town Meeting on Tuesday, March 10.

The warrant article, prepared by the Science, Technology, and Energy Committee of the New Hampshire House of Representatives, is explained by committee member Kat McGhee in an article on page 10 of this issue. Significant input was made by committee member and Andover resident Ken Wells.

By voting in favor of the warrant article, Town Meeting attendees agree that "To protect households, we support a Carbon Fee and Dividend approach that charges fossil fuel producers for their carbon pollution and rebates the money collected to all New Hampshire residents on an equal basis." The approach is also known as "Carbon Cash-Back."

The warrant article continues: "We expect our representatives to lead in

this critical moment for the health and well-being of our citizens and for the protection of New Hampshire's natural resources upon which we all rely."

What's a warrant article? Put simply, it's an item on the Town Meeting Warrant (or agenda) that calls for a vote by attendees on a specific issue. Warrant articles may be prepared by the Board of Selectmen or other town government officials, or submitted by petition from town residents.

Since the beginning of the year, local energy committees and other groups have been working in well over 100 New Hampshire cities and towns to bring this warrant article to Town Meetings, according to the Carbon Cash-Back Coalition, a statewide grassroots organization. The results will be shared with government officials at the state and national levels.

For more information, go to the Carbon Cash-Back Coalition website at [sites.google.com/view/carbon-cashback-coalition/](https://sites.google.com/view/carbon-cashback-coalition/). If you're a registered voter in Andover and would like to add your signature to the petition, send an e-mail to the Andover Energy Group at [andoverenergy@gmail.com](mailto:andoverenergy@gmail.com) before Town Meeting Day, and a member of the group will bring you the petition.

Check [AndoverBeacon.com](http://AndoverBeacon.com)!



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