

113TH CONGRESS
2D SESSION

H. R. 5796

To give States the option of addressing emissions of greenhouse gases from existing stationary sources by pricing emissions.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 4, 2014

Mr. DELANEY introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To give States the option of addressing emissions of greenhouse gases from existing stationary sources by pricing emissions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “State’s Choice Act of
5 2014”.

6 **SEC. 2. STATE OPTION TO IMPOSE A CARBON TAX.**

7 (a) **APPLICABILITY.**—This section applies with re-
8 spect to any regulation to address climate change issued
9 by the Administrator of the Environmental Protection
10 Agency under section 111(d) of the Clean Air Act (42

1 U.S.C. 7411(d)) for emissions of any greenhouse gas from
2 an existing stationary source.

3 (b) STATE OPTION.—

4 (1) OPTION.—Subject to paragraph (2), a regula-
5 tion described in subsection (a) shall allow a State
6 the option to impose a carbon tax with respect to
7 greenhouse gas emissions from an existing sta-
8 tionary source instead of, or in conjunction with, ap-
9 plying a standard of performance for such emissions
10 from such existing stationary source.

11 (2) REEVALUATION.—The Administrator of the
12 Environmental Protection Agency shall—

13 (A) in 2025, conduct an evaluation of any
14 carbon tax imposed by a State pursuant to this
15 subsection to determine whether such tax, to-
16 gether with any other relevant measures of the
17 State, will, by the end of 2030, achieve the
18 greenhouse gas reduction goals of the regula-
19 tions described in subsection (a) which the tax
20 is intended to replace (in whole or in part); and

21 (B) if the Administrator determines that
22 the tax, together with any other relevant meas-
23 ures of the State, will not achieve such goals,
24 require the State to increase the tax by the

1 amount determined necessary by the Adminis-
2 trator to achieve such goals.

3 (3) LIMITATION.—The option described in
4 paragraph (1) shall not be available to a State if the
5 Administrator determines that—

6 (A) such State is materially undermining
7 the effectiveness of the carbon tax in decreasing
8 greenhouse gas emissions through other policy
9 changes; or

10 (B) the Administrator has required the
11 State to increase its tax, as described in para-
12 graph (2)(B), and the State has not complied
13 with such requirement.

14 (c) DEFINITIONS.—In this Act:

15 (1) CARBON DIOXIDE EQUIVALENT.—The term
16 “carbon dioxide equivalent” means, for each green-
17 house gas, the quantity of greenhouse gas that the
18 Administrator of the Environmental Protection
19 Agency determines makes the same contribution to
20 global warming as 1 metric ton of carbon dioxide.

21 (2) CARBON TAX.—The term “carbon tax”
22 means an excise tax—

23 (A)(i) on emissions of any greenhouse gas;
24 or

1 (ii) on a fossil fuel based on emissions of
 2 any greenhouse gas that will result from the
 3 use of such fossil fuel;

4 (B) that in 2015, is not less than \$20 per
 5 metric ton of carbon dioxide equivalent; and

6 (C) that in each subsequent year, increases
 7 by not less than 4 percent above inflation, as
 8 measured by the Consumer Price Index for all
 9 urban consumers (all items; United States city
 10 average).

11 (3) EXISTING STATIONARY SOURCE.—The term
 12 “existing stationary source” has the meaning given
 13 to the term “existing source” in section 111(a)(6) of
 14 the Clean Air Act (42 U.S.C. 7411(a)(6)).

15 (4) GREENHOUSE GAS.—The term “greenhouse
 16 gas” means any of the following:

17 (A) Carbon dioxide.

18 (B) Methane.

19 (C) Nitrous oxide.

20 (D) Sulfur hexafluoride.

21 (E) Hydrofluorocarbons.

22 (F) Perfluorocarbons.

23 (5) STATIONARY SOURCE.—The term “sta-
 24 tionary source” has the meaning given such term in

1 section 111(a)(3) of the Clean Air Act (42 U.S.C.
2 7411(a)(3)).

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