WHEREAS, fuel diversity is a key component of the national economy and enhances affordability of energy, is essential for energy security, and augments energy development, production and transmission reliability, and

WHEREAS, 85% of our national energy consumption is based upon fossil fuels; and

WHEREAS, carbon dioxide is a natural by-product of fossil fuel combustion; and

WHEREAS, carbon dioxide is not classified as an ambient air pollutant nor a hazardous air pollutant, but is a beneficial gas that contributes to the ecological health of all natural resources; and

WHEREAS, carbon dioxide is a non-toxic gas found naturally in the environment; and

WHEREAS, reducing power plant emissions of carbon dioxide to 1990 levels as proposed by pending federal legislation would increase the consumer electricity costs by 33 percent; and

WHEREAS, limits on carbon dioxide emissions will require energy rationing; and

WHEREAS, credits for ‘voluntary’ carbon dioxide reductions encourage support for energy rationing because the credits achieve full monetary value only under a Kyoto-like emissions cap-and-trade program; and

WHEREAS, the Energy Information Administration estimates that the Kyoto Protocol’s carbon dioxide emission reduction targets could cost the United States up to $400 billion annually; and

WHEREAS, approximately 95% of the greenhouse gases emitted by motor vehicles are carbon dioxide; and

WHEREAS, USDOT is currently undertaking a Corporate Average Fuel Economy rulemaking process that addresses greenhouse gas emissions from automobiles in a manner that carefully weighs the technical, economic, safety, job, competitive industrial and consumer choice implications; and

WHEREAS, state regulations of carbon dioxide emission standards for motor vehicles is tantamount to a state version of federal fuel economy mandates that reduces consumer choice by restricting production of larger, heavier vehicles that provide more utility and passenger safety; and
WHEREAS, states can best encourage greater implementation of innovative technologies through market based consumer incentives and support public/private partnerships that promote the development of advanced technologies; and

WHEREAS, the President’s Global Warming Initiative stresses the importance of science in guiding policy and actions that are consistent with the need to maintain healthy economic growth. It also places increased emphasis on improving the state of climate science, so that policy actions are consistent with our state of knowledge.

THEREFORE BE IT RESOLVED that the American Legislative Exchange Council supports the free market principles contained within the President’s initiative as a cost-effective and scientifically guided national program to address the climate change issue.

BE IT FURTHER RESOLVED that the American Legislative Exchange Council is opposed to mandatory or "voluntary" carbon dioxide emission standards and the use of greenhouse transferable credits as a tool for environmental policy or regulation.

Adopted by the Natural Resources Task Force at the Annual Meeting, August 8, 2002. Approved by the full ALEC Board of Directors September, 2002.