

1 **RC2022-02 Memorial supporting the Energy Innovation and Carbon Dividend Act**

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3 WHEREAS, God created heaven and earth and everything therein and proclaimed it good (Gen 1:1ff); and God
4 has entrusted humankind with the care of the earth (Gen 2:15); and

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6 WHEREAS, the Evangelical Lutheran Church in America has adopted social policy statements, “Caring for
7 Creation” (1993) and “Sufficient, Sustainable Livelihood” (1999) that call for economic and environmental
8 justice, to protect the health and integrity of creation both for its own sake and for the use and enjoyment of
9 present and future generations, and for economic justice, to consider how our actions affect the ability of all
10 people to provide for their material needs and the needs of their families and communities; and

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12 WHEREAS, in 1993 with the Caring for Creation social statement, we realized the urgency was already
13 “widespread and serious, according to the preponderance of evidence from scientists worldwide [of] dangerous
14 global warming, caused by *the* buildup of greenhouse gases (GHG), especially carbon dioxide” from the
15 burning of fossil fuels, and that “action to counter degradation, especially within this decade, is essential to the
16 future of our children and our children’s children. Time is very short;” and

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18 WHEREAS, carbon pricing is one policy tool to reduce greenhouse gas emissions from fossil fuel combustion,
19 which complements other tools like regulations on polluting industries and tax incentives encouraging
20 investment in energy efficiency and renewable forms of energy production; and

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22 WHEREAS, in 2019 the Churchwide Assembly received with gratitude a memorial from the South-Central
23 Synod of Wisconsin regarding a Carbon Fee-and Dividend, and the Church Council directed the Domestic
24 Mission unit to develop “a plan that promotes educational resources on Carbon Fee and Dividend to assist in
25 forming the basis for any potential advocacy strategy;”² and

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27 WHEREAS, in October 2019 ELCA Advocacy published a primer an “Carbon Pricing Basics” that provides an
28 overview to the topic and identifies several principles rooted in ELCA social statements that “can move us
29 toward the pressing goal of reduced GHG emissions and just application of that [carbon] pricing or policy³; and

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31 WHEREAS, the “Energy Innovation and Carbon Dividend Act of 2019”⁴ has received bipartisan support in the
32 last two sessions in Congress and is broadly consistent with the following principles outlined in ELCA
33 Advocacy’s “Carbon Pricing Basics” primer; therefore be it

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35 RESOLVED, that the Minneapolis Area Synod meeting in assembly in 2022 memorialize the ELCA Church
36 Council to forward this resolution to ELCA Advocacy offices to advocate for the Energy Innovation and
37 Carbon Dividend Act, or similar legislation, during the 117th United States Congress and, if necessary, future
38 Congresses.

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43 **Adopted and submitted by Minneapolis Synod, Southwest Conference, February 10, 2022**

44 Background Information

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46 In. January 2019, over 3,500 of our nation’s leading economists across the political spectrum, including 28
47 Nobel Laureates and 4 former chairs of the Federal Reserve, issued a joint “Economists’ Statement on Carbon
48 Dividends” that argued “A carbon tax offers the most cost-effective lever to reduce carbon emissions at the
49 scale and speed that is necessary,” but also recommended “the revenue should be returned directly to U.S.
50 citizens through ‘equal lump-sum rebates,” and concluded “The majority Of American families, including the
51 most vulnerable, will benefit financially by receiving more in ‘carbon dividends’ than they pay in increased
52 energy prices.¹

53
54 These following principles are outlined in the ELCA Advocacy office’s “Carbon Pricing Basics” primer:

- 55 • Any carbon tax must be structured to respect the jeopardy of vulnerable populations and those living in
56 poverty.
- 57 • Any carbon pricing mechanism must not be fiscally regressive but rather must respect vulnerable
58 populations and those living in poverty.
- 59 • Emissions targets should be consistent with credible science and with the: IPCC special report’s directive
60 that global warming be kept at 1.5 degrees Celsius or less.
- 61 • An adjustment mechanism should be included in case the emissions targets are not being met.
- 62 • Federal agencies should not be prohibited from proposing new regulations on GHGs if such regulations
63 are needed.
- 64 • An effective carbon tax must be applied to as many sectors as possible. Because of the global nature of
65 the problem, border issues and trade policies must also be considered in designing the tax, so that problems
66 aren’t remedied through workarounds.
- 67 • The process for identifying problems and implementing solutions in a carbon tax should be participatory
68 and transparent for all stakeholders,
- 69 • The pricing mechanism itself should be transparent and accountable to government authority to ensure
70 that goals are being met.
- 71 • Portions of the revenue collected should be used to invest in worker transition, community resilience and
72 renewable energy, with priority given to helping all communities adapt and become more resilient.
- 73 • Transparency and accountability should be built into the pricing mechanism.
- 74 • The mechanism for awarding rebates to individuals/households should reach the most vulnerable,
75 regardless of income or citizenship.
- 76 • Existing environmental and climate change protections should not be rolled back.