

KEY VOTE ALERT!



Congressional & Public Affairs
U.S. Chamber of Commerce
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June 5, 2008

TO THE MEMBERS OF THE UNITED STATES SENATE:

The U.S. Chamber of Commerce, the world's largest business federation representing more than three million businesses and organizations of every size, sector, and region, strongly urges you to oppose cloture on the Boxer manager's amendment to S. 3036, the "Lieberman-Warner Climate Security Act of 2008." This week's truncated debate left many serious questions unanswered as to how to control domestic and international greenhouse gas emissions while keeping costs in check and assuring a reliable energy supply. As the debate vividly demonstrated, S. 3036 is not the proper vehicle to answer those questions.

First, and foremost, S. 3036 will be very expensive. Its predecessor, S. 2191, was forecast by a range of analyses to result in two to four million lost jobs, as high as 60 to 80 percent increases in household energy prices, as much as a 3.4 percent decrease in GDP, and an annual household cost of compliance, ranging from \$1,000 to \$6,700. Although S. 3036 was brought to the floor too rapidly for similar studies to be completed, it is clear that the cost of purchasing allocations under the bill would result in a \$3.2 trillion tax. Moreover, the Congressional Budget Office recently estimated that S. 3036 would result in tens of billions of dollars annually in private sector mandates.

S. 3036 also creates a massive federal bureaucracy, via more than 300 mandates, that must be translated into rules, regulations and reports by the Executive Branch. The result: a cavalcade of new bureaucrats, decades of costly implementation and prolonged litigation. The Chamber's chart summarizing this regulatory nightmare is available at: <http://www.uschamber.com/issues/index/environment/080603climatechange>.

Finally, although S. 3036 earmarks a tremendous amount of money to provide support for the families impacted by the legislation, it fails to support the research and development of the technologies necessary to continue powering our economy as fossil fuels are restricted by the cap. S. 3036 also fails to address the problem of deployment, specifically the streamlining of permits for low- and zero-carbon energy technologies.

The Chamber strongly urges you to protect American jobs and the economy by voting no on cloture on the manager's amendment to S. 3036, and will include this vote in our annual *How They Voted* scorecard.

Sincerely,

R. Bruce Josten