

## **The Lieberman-Warner America's Climate Security Act**

The bill will establish the core of a federal program to reduce U.S. greenhouse gas emissions substantially enough between 2007 and 2050 to avert catastrophic global warming. It will accomplish that purpose without harming America's economy or imposing hardship on its citizens.

The greenhouse-gas emissions cap in America's Climate Security Act covers U.S. electric power, transportation, and manufacturing sources that together account for 75% of U.S. greenhouse-gas emissions.

The cap over those sources starts at the 2005 emission level in 2012 and then lowers year-by-year at a constant, gradual rate, such that it reaches the 1990 emissions level (15% below the 2005 emissions level) in 2020 and 65% below the 1990 emissions level (70% below the 2005 emissions level) in 2050.

In addition to placing a declining emissions cap over electric power, transportation, and manufacturing sources, America's Climate Security Act strengthens energy efficiency standards for appliances and buildings in order to address commercial- and residential-sector emissions that are not covered by the cap.

Together, the gradually tightening cap and the supplemental provisions in America's Climate Security Act are projected to reduce total U.S. greenhouse-gas emissions by as much as 4% below the 1990 emissions level (19% below the 2005 emissions level) in 2020 and by as much as 57% below the 1990 emissions level (63% below the 2005 emissions level) in 2050.

EPA found in July 2007 that if the U.S. achieves emissions reductions on that order, then – making conservative assumptions about the pace of emissions reductions in the rest of the world – the concentration of greenhouse gases in the atmosphere will remain below 500 parts per million (ppm) at the end of this century. According to the Intergovernmental Panel on Climate Change, keeping the concentration below 500 ppm will avoid a high risk of global warming that would cause severe impacts.

America's Climate Security Act controls compliance costs by allowing companies to trade, save, and borrow emission allowances, and by allowing them to generate credits when they induce non-covered businesses, farms, and others to reduce their greenhouse gas emissions or capture and store greenhouse gases.

The Act invests set-aside emissions credits and money raised by the auction of such allowances in advancing several important public policies, including:

- deploying advanced technologies and practices for reducing emissions;
- protecting low- and middle-income Americans from higher energy costs;
- keeping good jobs in the United States;
- mitigating the negative impacts of any unavoidable global warming on low- and middle-income Americans and wildlife; and
- mitigating or forestalling political instability and international conflict that can threaten US national security, through actions designed to address negative global warming impacts on resource-stressed populations in other countries.