

## **The Polluters Pay Climate Fund Act of 2024**

*Senator Chris Van Hollen, Congressman Jerry Nadler, & Congresswoman Judy Chu*

**Background:** As the devastating impacts of climate change continue to worsen – from increasing sea level rise to more frequent and catastrophic floods, heat waves, and drought – the urgency of the climate crisis demands comprehensive action to address the harmful impact of excessive greenhouse gas emissions. [For decades](#), fossil fuel companies have been fully aware of their industry’s contributions to climate change, and despite this knowledge took little to no action to remediate the negative environmental and human health impacts of their business practices. It is time to hold the largest fossil fuel companies accountable for their actions.

### **Polluters Pay Climate Fund Act**

The concept of Polluters Pay is simple: those most responsible for creating the climate crisis should pay the most to address its harmful impacts. Modeled after the Superfund law, the Polluters Pay Climate Fund Act would hold polluters accountable for climate pollution by:

- Authorizing the Treasury Department to impose a fee, collected over 10 years, on the top-polluting fossil fuel companies to establish a \$1 trillion Polluters Pay Climate Fund.
  - This fee would apply to fossil fuel companies that are U.S.-based, or are foreign companies engaged in trade or business in the U.S., and are responsible for generating over 1 billion tons of carbon dioxide (CO<sub>2</sub>) emissions from 2000-2022.
  - The amount each company would pay into the Fund would be proportional to its emissions in excess of 1 billion metric tons of CO<sub>2</sub>.
- Creating a fund to be used to combat the impacts of climate change in a variety of ways, such as rebuilding and upgrading infrastructure, cleaning up the impacts of pollution in frontline communities, and providing climate-related disaster assistance.
  - Set aside 40% of the fund for investments that benefit environmental justice communities.

**Impact on Energy Costs:** The Polluters Pay Climate Fund Act **would not** raise costs for consumers. The market price of gasoline is determined by supply and demand. The fund would not affect the demand for gasoline, which is based on consumer preferences and other factors like the overall state of the economy. The fund would also not affect the supply of gasoline. The tax assessment is based on past, not current, activity, so it does not impact the ongoing costs of production. It is charged only to those with the highest past production, leaving some companies that are not subject to the assessment to act as price competitors and rivals for market share. Collusion by covered companies to raise prices would be illegal under antitrust laws.

**Impact on Climate Lawsuits:** The Polluters Pay Climate Fund Act **is not** a substitute for or designed to preempt state-level climate superfund laws or lawsuits seeking to hold the fossil fuel industry accountable for deception about the causes and consequences of climate change.

**Senate cosponsors:** Senators Ed Markey (D-Mass.), Jeff Merkley (D-Ore.), Bernie Sanders (I-Vt.), Elizabeth Warren (D-Mass.), and Sheldon Whitehouse (D-R.I.).

**House cosponsors:** Representatives Becca Balint (D-Vt.), Andre Carson (D-Ind.), Dan Goldman (D-N.Y.), Raúl Grijalva (D-Ariz.), Eleanor Holmes Norton (D-D.C.), Jared Huffman (D-Calif.), Jonathan Jackson (D-Ill.), Hank Johnson (D-Ga.), Summer Lee (D-Pa.), Alexandria Ocasio-Cortez (D-N.Y.), Delia Ramirez (D-Ill.), Jamie Raskin (D-Md.), Jan Schakowsky (D-Ill.), Rashida Tlaib (D-Mich.), and Bonnie Watson Coleman (D-N.J.).

### **Endorsing organizations**

Chesapeake Climate Action Network	Physicians for Social Responsibility
Sierra Club	Waterkeeper Alliance
League of Conservation Voters	San Francisco Bay Physicians for Social Responsibility
Earthjustice	Texas Physicians for Social Responsibility
Center for Biological Diversity	Elders Climate Action (ECA) Northern California (NorCal) Chapter
Food & Water Watch	Elders Climate Action (ECA) Southern California (SoCal) Chapter
Climate Accountability Institute	350 Bay Area Action
Union of Concerned Scientists	Concerned Health Professionals of PA
Working Families Party	NC League of Conservation Voters
The Rachel Carson Council	MoveOn
Greenpeace USA	350 Seattle
CASA	New Jersey League of Conservation Voters
Climate Action California	Environmental Advocates NY
Vermont Public Interest Research Group	California Environmental Voters
Evergreen Action	Bold Alliance
Oxfam America	Maine Conservation Voters
Sunrise Movement	198 methods
Surfrider Foundation	Women's Earth and Climate Action Network
Clean Water Action	NY Public Interest Research Group
Action for the Climate Emergency	Zero Hour
Oil and Gas Action Network	Vermont Natural Resources Council
South Seattle Climate Action Network	350.org
350 Conejo / San Fernando Valley	Voices for Progress
Human Impact Partners	New York Communities for Change
Sustainable Mill Valley	Ohio Environmental Council Action Fund (OEC Action Fund)
350Brooklyn	Center for Popular Democracy / CPDAction
Climate Hawks Vote	Climate Policy Equity Center
Gen-Z for Change	Vessel Project of Louisiana
Physicians for Social Responsibility	
Maine	
Better Future Project	
Third Act Upstate New York	
Third Act Virginia	
Third Act Maryland	
Third Act	
350 Mass	

