

A Case for Industrial Emissions Intervention

ISSUE

There is no question that climate change is a major issue for the United States, both environmentally and economically. [Right now](#), 70% of the United States' GDP is at high risk of suffering the most damage from climate change if it continues to progress, and 50% of the US workforce is employed in the highest climate-damaged industries. For every 1 degree Celsius that the planet warms, between now and 2050, the US GDP will stall 1% annually, the economy will contract by 1.2%, and 900,000 jobs will disappear. That's why [65% of Americans](#) believe that the federal government is doing too little to reduce the effects of climate change.

It is crucial that the next generation of American leaders come together to find creative and innovative solutions to address both and set our country back on a sustainable path to secure the American promise of life, liberty, and the pursuit of happiness for generations to come.

POLICY SOLUTION

Large engine emissions (over 800 horsepower), are one of the most significant contributors to the problem of air pollution and climate change, but currently there are no laws or rules requiring reporting or management of annual emissions from such engines, which often emit up to 30% more pollution than they should. One study, conducted and published by [Revealiency](#), a Utah based start up and honoree of [2019 Air Quality Utah Green Business Award](#), showed a single haul truck emitting 126 tons of excess CO2 and using almost \$35,000 worth of extra fuel in just one year. Requiring measurement and reporting of large engine emissions in addition to updating and modernizing engines to meet fuel-efficiency standards would not only significantly cut CO2 emissions, but it would save significantly on operational costs.

Therefore, we propose the following policy reforms:

- Compile a database of all vehicles with engines above 800 Hp in the United States by requiring companies which own these vehicles to report an inventory to the federal government within 1 year of policy implementation
- Require bi-monthly emissions reports to be taken on applicable vehicles, with annual reporting to the SEC through implementation of a [proposed agency rule](#), as well as requiring quarterly disclosures of per-week fuel consumption
- Direct the EPA to create and maintain standard emissions limits for these engines, updated on an annual basis, using reported emissions data to inform decision-making
- In order to incentivize private industry to meet new EPA emissions standards, implement a tax of \$25 per ton of CO2 emissions beyond the standard, to be calculated using fuel consumption reports, and to be indexed to inflation
- Require federal government and contractor assets to meet new EPA standards no later than 3 years following implementation

These innovative, bipartisan, and forward-thinking policies will bring government and private industry together to make progress against climate change in a fiscally responsible manner. The proposed tax will help raise revenue to pay down the debt (every 1000 haul trucks subject to the tax would raise approximately \$3.15 million in tax revenue per year), not to mention that the government will save potentially millions of dollars per year on its own fuel costs by increasing the efficiency of its assets. Additionally, companies who are compliant with the standards would also be able to significantly reduce their fuel costs and face no additional tax burden, allowing that money to be reinvested in the economy. All of this will help improve the long-term fiscal and climate outlook of the United States.