

CAP AND TRADE LEGISLATION

From AGCA working for you in DC:

House Narrowly Passes Climate Change Measure, Sends Bill to Senate

At the end of June, the U.S. House passed H.R. 2454, the American Clean Energy and Security Act, by a vote of 219 to 212 (8 Republicans supported the bill, and 44 Democrats voted against it). While elements of the legislation could create jobs by inducing demand for energy efficiency improvements to buildings and alternative energy generation, no one is certain of the true impact on the economy. AGC believes that the bill goes too far too fast and that Congress has not adequately mitigated the impacts.

Policymakers have acknowledged that the "cap and trade" program in the bill would increase electricity costs with varying regional effects. A climate change cap and trade bill would significantly increase the cost of energy used in producing construction materials and powering construction equipment. The bill also includes provisions giving free rein to the U.S. Environmental Protection Agency to regulate small stationary emitters and to implement standards for a variety of mobile sources used in construction, including new heavy duty trucks and off-road equipment. The increased costs and new regulations would ultimately decrease demand for construction at a time when the U.S. economy can least afford it, especially when one in every five unemployed workers is a construction worker.

AGC appreciates the response by individuals in the construction industry that answered the call to action and sent over 2,000 messages to Congress in opposition to the bill. The legislative debate will move to the Senate where a vote could occur as early as September.

The Senate will likely refer to, or use, the House bill in drafting their legislation. Meanwhile, the Committee on Energy and Natural Resources approved the American Clean Energy Leadership Act (ACELA) on June 17, 2009. Some of the ACELA provisions are similar to the House bill, but it does not yet address cap and trade of greenhouse gases, which the Senate Environment and Public Works Committee may consider as early as this month. The resulting legislation from the Senate will need to secure passing votes in both houses of Congress before a final bill is sent to President Obama to sign.

AGC urges all members and Chapters to weigh in with their Senators and urge them to oppose the House bill as written. For more information and to send a letter to your Senators, please use [AGC's Legislative Action Center](#).