



The Honorable Roy Blunt
 United States Senate
 260 Russell Senate Office Building
 Washington, DC 20510

May 24, 2016



Dear Senator Blunt:



We write today in support of your resolution expressing the sense of the Senate that a carbon tax would be detrimental to the United States economy.



While our organizations represent a diversity of interests and viewpoints, we share the belief that a free market empowers American families to achieve economic success, greater prosperity, and a higher quality of life. Conversely, policies that inhibit or distort the marketplace – like a carbon tax – act as an economic anchor, reducing prosperity and lowering the standard of living that American families have worked hard to attain.



A carbon tax will inflict economic punishment on our nation’s families and businesses by deliberately making the energy they rely on every day – electricity, gasoline, diesel, and natural gas – more expensive. And not only would consumers’ energy bills and prices at the pump be driven upward, but as the nonpartisan Congressional Budget Office (CBO) states, those higher fuel prices “would raise production costs and ultimately drive up prices for goods and services throughout the economy.”



An independent economic study conducted on behalf of the National Association of Manufacturers found that a carbon tax would also “have a net negative effect on consumption, investment and jobs, resulting in lower federal revenues from taxes on capital and labor.” The same study further found that “[f]or workers, a carbon tax would lead to lower real wage rates because companies would have higher costs and lower labor productivity.”



Furthermore, these negative impacts would be distributed regressively, imposing the most economic harm on those who can afford it the least. A carbon tax would disproportionately punish lower-income Americans because, as CBO states, “low-income households spend a larger share of their income on goods and services whose prices would increase the most, such as electricity and transportation.”



In fact, CBO found in its modeled case of a \$28 per ton carbon tax that costs would be more than 2 ½ times higher for the poorest one-fifth of American households than for the wealthiest one-fifth.



At a time when many American families are trying desperately to get ahead, the last thing we need is to see policies put in place that will take our entire economy backwards. Thank you for your leadership on this important issue, and we hope to see the full Senate act quickly to take up and pass your resolution opposing a carbon tax.





Sincerely,

Thomas Pyle, American Energy Alliance
 Brent Garnder, Americans for Prosperity
 Adam Brandon, FreedomWorks
 Myron Ebell, Competitive Enterprise Institute
 Harry Alford, The National Black Chamber of Commerce
 Matthew Kandrach, 60 Plus Association
 Phil Kerpen, American Commitment
 David Williams, Taxpayers Protection Alliance
 Craig Rucker, Committee for a Constructive Tomorrow
 Brett Healy, MacIver Institute
 Joseph Bast, The Heartland Institute
 Seton Motley, Less Government
 Brent Mead, Montana Policy Institute
 Thomas Schatz, Council for Citizens Against Government Waste
 David Stevenson, Caesar Rodney Institute
 Judson Phillips, Tea Party Nation
 Tom Brinkman, COAST
 Marita Noon, Energy Makes America Great
 Amy Ridenour, National Center for Public Policy Research
 Andresen Blom, Grassroot Hawaii Action, Inc.
 Willes K. Lee, National Federation of Republican Assemblies
 Charles Curley, Wyoming Liberty Group
 Norm Singleton, Campaign for Liberty
 Paul Gessing, Rio Grande Foundation
 Matthew Anderson, Coalition for Self-Government in the West

