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THE SURGE

BY THE COMPETITIVE ENTERPRISE INSTITUTE

Welcome to the latest edition of The Surge!

- Legislators continue to push carbon taxes, including a carbon tariff.
- House adopts amendment to get rid of proposed fuel efficiency standards.
- Will Illinois join other states in ending its nuclear ban?
- New poll shows that Americans don't have much confidence in climate scientists.

These are just some of the issues covered below. Please let others know about The Surge and they can [subscribe here](#).

Best,

CEI's Energy and Environment Team

CEI SPECIAL BRIEFING SERIES: DEFENDING THE PERSONAL ENERGY CHOICES OF AMERICANS

This is the third article in CEI's Special Briefing Series: [Defending the Personal Energy Choices of Americans](#).

5 Bad Appliance Regulations Congress Should Reject With The Congressional Review Act

The Biden administration is developing regulations for most home appliances that could increase upfront costs, lower appliance quality, limit

choices, and prioritize the administration's climate agenda over homeowners' interests.

Here are five anti-consumer appliance regulations that have been recently-finalized (furnaces and air conditioners), or soon will be, which are prime targets for resolutions of disapproval under the Congressional Review Act:

1) **Furnaces.** A recently finalized [Department of Energy \(DOE\) efficiency standard](#) would effectively outlaw the type of furnace that is the best choice for millions of homeowners.

2) **Air conditioners.** The Environmental Protection Agency (EPA) recently [finalized a ban](#) on the most affordable central air conditioner models.

3) **Washing machines.** Despite serious impacts on performance, the DOE has proposed a new rule making the water and energy use limits [even more stringent](#). As it is, the amount of water currently allowed per cycle has proven to be too little to consistently get clothes clean.

4) **Stoves.** A proposed [DOE efficiency standard](#) for stoves would disproportionately target natural gas stoves over electric ones.

5) **Dishwashers.** Dishwashers are already badly over-regulated, but DOE is [at it again](#) with the agency's fifth proposed standard further reducing the allowable levels of water and energy they can use.

TOP OF THE AGENDA

[Experts Weigh In: Senator Cassidy's Carbon Tariff Bill Would Mean More Taxes](#)

A carbon tax is both [bad policy and dumb politics](#).

Yet Senator Bill Cassidy (R-LA) has just introduced legislation, the [Foreign Pollution Fee Act of 2023](#), which will impose carbon tariffs on imports. These tariffs are taxes that will ultimately be paid by Americans. The legislation is also likely the setup for a future regime of domestic carbon taxes. So, the legislation puts in play two different types of taxes related to carbon-based fuels (coal, oil, and natural gas), which supply [79 percent of American energy](#).

Experts at other free-market organizations have written insightful commentary on carbon tariffs and various proposals related to carbon tariffs. Here are two examples:

Back in June, Cassidy co-sponsored a [bill](#), the PROVE IT Act, that would build the accounting framework for carbon tariffs. In “[Three reasons to be very skeptical of carbon tariffs](#)” (June 30), Cato Institute scholar [Gabriella Beaumont-Smith](#) warns that carbon tariffs would likely (1) impose tens of billions of dollars in “new costs on American consumers, companies, and workers,” (2) provide a vehicle for special-interest “rote protectionism,” and (3) violate the [GATT Article III non-discrimination principle](#).

In “[The economic standard: Senators attempt to provide cover for incoming carbon tax](#)” (Nov. 1), American Consumer Institute scholar Kristin Walker makes a point that cannot be repeated too often because pro-tariff lawmakers almost never address it: “Ultimately, tariffs are not a tax on foreign producers, but on domestic consumers. Companies pass their costs onto their customers. As with all other tariffs, the ones ultimately holding the bill for a border-adjusted carbon tariff would be domestic consumers. The increase in price on various products will negatively impact the economy.”

IN THE SPOTLIGHT

[Agriculture Secretary Responds To CEI About USDA Slush Fund, Climate Change Funding](#)

There is an annual \$30 billion funding mechanism called the Commodity Credit Corporation (CCC) that funds most farm bill programs. This \$30 billion usually far exceeds what is required for the authorized programs, which leaves a remaining balance, generally around \$15 billion a year. The Agriculture Secretary also has very broad discretion in how to spend this money.

Historically, past administrations have not used this money in any meaningful way, however this started to change some during the Obama administration, and then really changed during the Trump administration. This massive amount of money, combined with the broad discretion, acts like a slush fund.

Agriculture Secretary Tom Vilsack published an [op-ed](#) in direct response to an [op-ed](#) written by CEI’s Patricia Patnode in the Cedar Rapids Gazette. Patricia argued that no administration should have a USDA slush fund. She emphasized that under the U.S. Constitution, Congress has the spending power and should determine how American taxpayer dollars are allocated. Secretary Vilsack doesn’t counter her argument, but instead discusses how the Biden administration has been utilizing the slush fund. Among other things, the administration has spent over \$3 billion on a climate change

program that it created out of whole cloth without congressional approval. Noticeably, in his op-ed, he failed to address the core question of who should have authority over taxpayer dollar expenditures.

House Passes Amendment To Support Consumer Car Choice

By [voice vote](#), the House adopted an [amendment](#) offered by Rep. Andy Ogles (R-TN) to the Transportation and Housing and Urban Development spending bill ([H.R. 4820](#)) that would prohibit funding for the National Highway Traffic Safety Administration's [proposed rule](#) "Corporate Average Fuel Economy Standards for Passenger Cars and Light Trucks for Model Years 2027-2032 and Fuel Efficiency Standards for Heavy-Duty Pickup Trucks and Vans for Model Years 2030-2035." As of the time of this writing, the House had not passed the spending bill.

Prior to the adoption of the amendment, CEI expressed its [support](#) for the amendment and Director of CEI's Center for Energy and Environment [Daren Bakst said](#):

The proposed rule is yet another attempt by the Biden administration to restrict the ability of Americans to choose what kind of cars they can buy. Specifically, the administration is trying to go after gas-powered vehicles.

This rule reflects an incredible arrogance by federal officials who think they know better than Americans as to what vehicles best meet their needs. And it shows a complete disregard for the costs that will be imposed, including increasing vehicle prices and making it more difficult for Americans to get around, from going to their doctor to buying groceries. Representative Ogles's amendment helps to defend individual freedom and ensure that cars in the future won't be inaccessible to all but the wealthiest Americans.

States And Nuclear Power: Will Illinois Undo Its Nuclear Ban?

Illinois may follow the lead of some other states and undo its nuclear ban. The state, which has banned the construction of new nuclear power plants since 1987, heavily relies on this energy source for 53% of its electricity needs. Lawmakers may soon vote to end this ban, as they aim to override the governor's veto of legislation that was passed earlier in the year that would have gotten rid of the ban.

CEI's [Paige Lambermont](#) argues in a new [op-ed](#) that:

Ultimately, it makes no sense for Illinois to ban further progress on nuclear power. Illinois uses the most nuclear power of all U.S. states – nearly 100,000 gigawatt-hours in 2022. The state’s citizens and businesses rely on six different power plants that have 11 reactors in total. To put this in context, the amount of electricity that Illinois nuclear plants produce every year could power more than 9 million households at average consumption.

Illinois legislators have already demonstrated that they recognize the importance of nuclear power and getting rid of this outdated and misguided ban. Now they need to override the governor’s veto.

Pew Polling Data Shows Americans “Have Doubts About Climate Scientists’ Understanding of Climate Change”

It’s a remarkable conclusion. The [Pew Research Center conducted a poll](#) of Americans about climate change and found that only about a third think “climate scientists understand very well whether climate change is happening.” So that means two-thirds of people think climate scientists don’t understand climate change very well.

Also, only about a quarter of people in the Pew poll said climate scientists understand very well the effect climate change has on extreme weather and the causes of climate change. That means three-quarters don’t think the scientists have a very good understanding.

And apparently this low opinion isn’t so different from 2016. So it’s a persistently low opinion.

This is a real disconnect with the media’s constant predictions of doom and gloom. These findings demonstrate the American public is dubious that climate change is the biggest thing we need to worry about in our lives.

FEATURING OUR FRIENDS

[A Carbon Tariff Is A Carbon Tax For Protectionists](#), Travis Fisher, Cato Institute

[Fixing Forest Litigation](#), Hannah Downey (who works for PERC), Frontier Institute

[Virginia Should Make Its Own Decisions About EVs](#), Steven G. Bradbury, Heritage Foundation

[Climate Fears Bring Unrealistic Goals for COP 28](#), Institute for Energy

Research

[Wrecking the U.S. Electric Power Grid](#), Institute for Energy Research

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