



AMERICANS FOR TAX REFORM

LEGISLATIVE ALERT

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Stop the Energy Subsidies

As the Senate continues debate on S. 14, the National Energy Policy Act, it is important that the Senate promotes policies that provide abundant supplies of affordable energy to American consumers and producers.

Unfortunately, some Senators are attempting to amend the bill by attaching amendments that restrict these goals, implement bad environmental policy, and increase the cost to taxpayers by nearly \$38 billion for subsidies. **In order to protect taxpayers from this needless waste, Americans for Tax Reform (ATR) opposes the following provisions.**

There should be no mandate to raise corporate average fuel economy (CAFE) standards. The program has done nothing to curb our reliance on foreign oil, does not benefit the environment, and has forced drivers into compact cars that have compromised their safety and strained their pocketbooks.

The Senate should also prevent any attempt to establish a mandatory “Renewable Portfolio Standard” (RPS) for the electric power sector. An RPS is a corporate welfare entitlement for industries that would not exist in a free market. According to the Competitive Enterprise Institute, non-hydro renewable-energy technologies (wind, solar, geothermal, biomass, landfill waste) have such high capital costs and produce so little power that despite two-plus decades of multi-billion dollar state and federal subsidies, non-hydro renewables supply only 2.4 percent of total U.S. electric power.

A National Climate Change Policy that prevents any increase in CO2 emissions and demands ever-tighter restrictions on hydrocarbon energy use is not acceptable. Using outlandish predictions of rapid sea-level rise, insect-borne disease epidemics, and temperature increases up to 10 degrees Fahrenheit, climate change policies attempt to force the United States to accept the Kyoto Protocol’s environmental provisions as facts. In addition, climate change policies restrict America’s access to the hydrocarbon fuels that supply 70 percent of our electricity and 84 percent of all our energy needs.

The Senate has already voted unanimously to reject the protocol in its entirety. S. 14, the National Energy Policy Act should not provide a back door to include damaging environmental provisions that do little for the environment, but have the potential to cripple the United States’ economy.

ATR MAY RATE THESE VOTES IN OUR ANNUAL CONGRESSIONAL RATINGS