

By Rep. Steve King

Liberals on Capitol Hill are currently ironing out the details of so called "cap and trade" legislation. Their plan would impose new energy taxes on the American economy and American consumers to reduce "global warming" emissions.

This proposal would set a limit on how much carbon a company could emit as part of its production process. Any company exceeding the government-mandated limit would be forced to purchase emissions allowances from other companies that do not exceed the limit.

American companies would be forced to comply with these new regulations, while companies in China, India and other countries without "cap and trade" laws would not. This would effectively put American companies at a disadvantage in the international market.

Liberals like the idea of giving the government more control over our economy, but their "cap and trade" plan is nothing more than a national energy tax that will punish job creators and hinder economic growth. A more appropriate title for this bill is "cap and tax" because of the new national energy taxes it would impose.

How much could this plan cost your family?

A recent study looked a similar proposal and estimated that the impact of a "cap and trade" plan would result in \$3,128 in higher energy costs for every American household each year. Hardest hit by this energy tax would be low-income families, because they spend a greater portion of their family budget on energy consumption.

In these tough economic times, we are all tightening our belts and cutting back, which is why we must consider what \$3,128 is worth to the average Iowa family each year. It is worth around 100 fill-ups at the local gas station for your car's fifteen gallon fuel tank. It is worth roughly seven years of cell phone service. It is worth more than three years of electricity bills for the average Iowa family.

"Cap and trade" will also disproportionately impact Iowa because the majority of our electricity is produced by coal. This legislation will punish coal producers, and western Iowans could see their electricity bills rise 15 to 30 percent each month, while less coal-dependent states like California and Massachusetts, where the

authors of this legislation are from, would see their bills go up only 3 to 9 percent.

Even some Democrats are worried about the effects of a "cap and trade" bill. Late last month, Michigan Democrat John Dingell, the longest serving Representative in the House, voiced his concerns with "cap and trade" legislation. Dingell stated that "nobody in this country realizes that cap and trade is a tax, and it's a great big one." Dingell recognizes that this plan will lead to more taxes, fewer jobs and more government intrusion. House Agriculture Chairman Colin Peterson, a Minnesota Democrat, also announced, "I want this message sent back down the street. I will not support any climate change bill. I don't trust anybody anymore."

Right now, we need our economy to start moving again. We need all of our businesses – from large corporations to the smallest of small businesses – to have the ability to innovate, grow and hire new workers. I spent 28 years running my own construction company, and when times got tough, the last thing I did was increase my overhead costs. Yet this "cap and trade" bill will do just that.

Liberals are pushing a bill that will raise taxes on all American energy users, cost American workers their jobs and put American companies at an international disadvantage. Instead of tax hikes, we need an all-you-can-create energy plan that includes more drilling, more renewable fuels and more efficiency. The energy sources of the future will not be created through massive tax hikes or new government regulations. I will oppose any "cap and trade" bill that caps growth and trades American jobs.