

February 3, 2021



**TO: RI Senate Committee on Environment & Agriculture**  
**FROM: RI Center for Freedom & Prosperity, Mike Stenhouse**  
**SUBJECT: Written Testimony re. Bill to Amend Greenhouse Gas Emission Reduction Mandates (S0078)**

**Chairman Euer and Committee Members:** As CEO for the **RI Center for Freedom & Prosperity**, a non-partisan research and advocacy organization, and with a degree in Economics from Harvard University, I would like to provide some background re. S0078, which is before your committee today. As a 501-C-3 organization, our Center is not allowed to specifically advise you to support or oppose any piece of legislation, however we allowed to provide our perspective and share any related research.

During this period, as Rhode Islanders struggle to recover from the crushing economic and health impacts from the Covid-19 pandemic, by limiting energy choices and raising energy costs, this legislation would be highly tone-deaf to the public, as it would make long term recovery for families and businesses even more difficult.

It is pure fantasy that there is anything our small state can do to impact the greater world climate. When weighed against the punishing economic realities that would be forced upon our state's residents, the calculation becomes far, far worse.

Just last week, our Center published an economic impact report on one component of the larger state greenhouse gas emissions (GGE) reduction plan but forth by environmentalists – artificially raising gasoline prices via the Transportation & Climate Initiative (TCI). This one component alone would produce substantial negative economic impact, **over 100 times more severe** than any potential benefit ([www.rifreedom.org/2021/01/tci-gas-tax-2021/](http://www.rifreedom.org/2021/01/tci-gas-tax-2021/)).

Per our Center's report, if TCI were implemented in 2022, within 5 years, the Ocean State would suffer:

- A per family loss of disposable income of \$1205/yr (\$815 million overall)
- A loss of 1856 state-based jobs
- Reduced business investment of \$826 million
- A loss of state GDP of \$416 million

This legislation, S0078, being much broader in scope than a gas tax, would lead to **significantly more harsh economic consequences**. And there will still be virtually zero environmental benefit. Per our Center's report, the TCI gas tax would impact global carbon emissions by **0.00016%**, or just 1/625 of one percent. S0078, as well, would create insignificant impact on world GGE levels.

Renowned climate change advocate, **John Kerry**, this week publicly admitted that even the entire US, alone eliminating GGE, would be insignificant for the globe (<https://nypost.com/2021/01/27/kerry-zero-emissions-wont-make-difference-in-climate-change/>). Further, Rhode Island's capacity to impact world GGE is merely 1/350<sup>th</sup> of our entire nation's stated non-capacity.

Energy policies are best handled at the federal and international level, as state-based and other local efforts end up producing **an incredibly poor cost-vs-benefit value proposition**. As our report demonstrates, legislation like S0078 and the TCI gas tax, would mean that that **Rhode Islanders would bear the high economic costs ... for zero meaningful environmental benefit**.

America, without oppressive energy mandates, but rather through technical innovation and the free-market, leads the world when it comes to carbon emission reductions. Government imposed energy mandates for Rhode Island, despite their "feel good" perception, are pointless from a practical world viewpoint.

Given the suffering caused by the pandemic, already with the worst business climate in America, and already with our state failing to keep pace with the rest of our nation's population growth, now is not the time to put in place policies that aim to further punish Ocean Staters for making budget-wise and less expensive energy consumption choices.

I ask you **not** to give families and businesses yet another reason **not** to choose Rhode Island as their destination to live, work, and invest in our state.

*Thank you. If I can be of service, please contact me at [mstenhouse@RIFreedom.org](mailto:mstenhouse@RIFreedom.org) or 401.429.6115.*