

September 29, 2009

Dear Senator,

As organizations deeply concerned about the well-being of low- and moderate-income families and children, we are writing to urge the Senate to pass a climate bill that does not drive these families into poverty or make those already living in poverty worse off as a result of higher energy prices.

The Senate should fully protect low-income families (e.g., those in the bottom fifth of the income distribution) from the increased energy costs associated with controlling greenhouse gas emissions, as the House of Representatives did in the American Clean Energy and Security Act of 2009 (H.R. 2454). Additionally, it is important that the Senate extend targeted relief to moderate-income families, who are also struggling to make ends meet and cannot afford significant increases in their household energy costs.

Low- and moderate-income households are disproportionately affected by increases in energy prices. As energy prices rise, these families will face higher prices for food, heat, and transportation. While wealthier households will be able to cut back a little on discretionary spending and invest in new, energy-efficient cars and appliances, low- and moderate-income families spend a much larger fraction of their family budgets on necessities. For these families, having to spend several hundred dollars more each year to heat their homes, feed their children, and travel to and from work could cause real hardship.

Recognizing this, the House set aside 15% of the value of the greenhouse gas allowances created by the bill to provide consumer relief to our nation's most vulnerable families. The House bill uses these funds to provide a "climate refund" to every household with income less than 150% of the federal poverty level, or about \$35,000 for a family of four. The refund would be provided monthly and administered by state social service agencies, either through direct deposit or through the EBT cards states use to distribute food stamps and other benefits. The House bill also includes an increase in the Earned Income Tax Credit for poor childless workers, who are less likely to receive assistance through the EBT mechanism. These two provisions, combined with direct consumer relief funneled through utility companies, are enough to fully offset the increased expenses that low-income as a group would face. It is very important that the Senate legislation provides no less for people with low incomes.

The House bill does not provide targeted relief for moderate-income households (outside of utility relief). While these families would receive some relief through their utility companies, they would still face significant increased costs for food, transport and other necessities. The Senate should allocate more resources to consumer relief to ensure that moderate-income families are more fully protected.

In passing its bill, the House of Representatives established the principle that effective climate change legislation should not make low-income families worse off. We believe the Senate should uphold this principle, as well as provide additional support for moderate-income families.

The danger from unrestricted greenhouse gases is too grave for inaction. We ask you to actively support critical consumer relief for our most vulnerable families within the urgently needed climate change legislation. Thank you for considering our views.

Sincerely,

American Federation of State, County, Municipal Employees (AFSCME)
Americans for Democratic Action, Inc.
Association of Community Organizations for Reform Now (ACORN)
Association of Farmworker Opportunity Programs
Bread for the World
Catholics United
Center for Law and Social Policy
Center on Budget and Policy Priorities
Citizens for Tax Justice
Coalition on Human Needs
Common Cause
Community Action Partnership
Enterprise Community Partners
Evangelical Lutheran Church in America
Food Research and Action Center (FRAC)
Families USA
Franciscan Action Network
Friends Committee on National Legislation
Green DMV
Green For All
Half in Ten
Institute for Local Self Reliance
Jewish Council for Public Affairs
National Association for State Community Services Programs
National Center for Law and Economic Justice
National Council of Jewish Women
National Hispanic Environmental Council
National Latino Coalition Climate Change
National WIC Association
National Women's Law Center
NETWORK: A National Catholic Social Justice Lobby
Presbyterian Church, (U.S.A), Washington Office
RESULTS
Sargent Shriver National Center on Poverty Law
Sisters of Mercy Institute Justice Team
Sojourners
The Episcopal Church
The Every Child Matters Education Fund
The National Advocacy Center of the Sisters of the Good Shepherd
The United Church of Christ, Justice and Witness Ministries
Union for Reform Judaism
Unitarian Universalist Association of Congregations
United Methodist Church – general Board of Church and Society
USAction
Voices for America's Children
Wider Opportunities for Women
YWCA USA