

spotlight

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END THE COMMISSION—OR MEND IT *The Climate Change Commission fails to stick to its mission*

KEY FACTS: • **The Legislative Commission on Global Climate Change's work expired in April 2008. The legislature currently is considering the extension of the commission's work.**

• **A commission to study global climate change can serve a vital purpose, but unfortunately this commission has failed miserably.**

• **The commission has ignored the will of the legislature. For example, the commission was required to address how climate change policies would affect temperature. It also was supposed to identify the costs and benefits of policy proposals. The commission has disregarded these common-sense requirements.**

• **The commission is dominated by environmental extremists. One commission member at a recent meeting suggested that not taking action on global warming would have been like the United States not taking action to confront Adolph Hitler.**

• **In addition to simply doing what it was supposed to do in the first place, the commission should expressly consider the impact policies will have on energy costs. There also should be at least some balance in the commission membership.**

• **On an issue of this magnitude, North Carolinians should expect a legitimate commission; otherwise the commission's work should not be extended.**

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in 2005, the legislature created the Legislative Commission on Global Climate Change.¹ The commission's authorization first lapsed in 2006 and was extended until April 15, 2008.² A proposed bill (HB 2529) seeks to further extend the work of the commission until April 1, 2009.³

Ignoring the Will of the Legislature

The commission should not be extended unless there are proper protections in place to ensure the commission follows the legislature's own specific and common-sense requirements. Two of those requirements include:

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1. Impact on Global Climate Change

The legislature called upon the commission to analyze the effect a reduction in greenhouse gases would have on global climate change (i.e., global warming).⁴ To date, the commission has completely ignored this issue. There has been no discussion or analysis to clarify the impact that proposed state policies would have on temperature.

2. Cost-Benefit Analysis

The legislature expressly directed the commission to study the costs and benefits of any state actions. The commission has ignored the legislature on this issue as well. The commission has primarily looked to analysis conducted by a Department of Environment and Natural Resources (DENR) advisory group called the Climate Action Plan Advisory Group (CAPAG).

This group's work was controlled and directed by a global warming alarmist organization, funded by left-wing foundations, called the Center for Climate Strategies (CCS).⁵ This alarmist organization actually selected the options for the advisory group to choose from⁶—not exactly an independent process. CCS did no cost-benefit analysis of the options.⁷

Energy Costs

Many of the policies the commission is considering would drastically increase energy prices. This comes at a time when high-energy prices already are a major concern for policymakers and the public. The commission should examine and identify the impact that the proposed policies would have on energy costs in North Carolina.

Commission Membership

There are several striking omissions in the commission membership.⁸ There are no consumer or taxpayer groups. This is particularly troubling because these proposals will have a dramatic impact on electricity and gasoline prices for consumers. Also, according to the Beacon Hill Institute, there would be \$184.6 million less in state and local tax revenue.⁹ This is money that the legislature almost certainly would try to make up for in additional taxes.

There also are no conservative and/or free-market views represented on the commission.¹⁰ As a modest estimate, there are at least 10 left-of-center groups or individuals represented on the commission. Fairness and balance dictate that there be at least some individuals or groups with a conservative and/or free-market perspective.

When it comes to environmental issues, too often the legislature thinks the “stakeholders” are utilities, environmental groups, and possibly some business interests. The obvious omission is the public.

To put it simply, extremists dominate the commission. This fact was no more evident than at the last commission meeting in April. The Beacon Hill Institute, which had done the only proper cost-benefit analysis to date (at the request of the John Locke Foundation, not the commission), presented its findings¹¹ to the commission.

According to the Beacon Hill Institute, by 2011, North Carolina would lose 33,000 net jobs due to several policies being considered by the commission. Real disposable income would drop by \$2.2 billion and the Gross State Product (GSP) would drop by \$4.5 billion.¹² This is not some far-off date — it is only three years from now when this devastating economic harm would occur.

Commission members did not disagree with the Beacon Hill Institute's methods or conclusions. However, that did not stop some of them from attacking the institute.

One commission member compared North Carolina taking no action on global warming with the United States taking no action to confront Adolf Hitler. Unfortunately, this is the type of rhetoric and extremism that is typical of the commission.

Minority Report

Interest groups, corporations, and others that may normally desire to speak up are fearful of the ramifications of expressing any concerns. Quite simply, it is politically incorrect to say anything that is counter to the global warming agenda. Also, anyone that is greatly outnumbered is going to be less likely to voice concerns.

Eliminating this chilling effect will be difficult. One positive step in that direction is to permit minority reports so that members do not feel they have to support or oppose every commission recommendation. Minority reports would allow members to communicate the context of their views. They could explain precisely what they support and do not support.

The Whole Picture

The original legislation creating the commission required the production of a single report.¹³ In 2006, when the Commission's work got extended for the first time, new language was added so that the commission could provide interim reports.¹⁴

This is a "clever" way of trying to hide the "whole picture" from commission members and the legislature. One particular policy option may not seem bad, and therefore would be hard to oppose. However, when the commission pushes policies incrementally, the legislature is more likely to enact policies that, when combined, are extremely costly.

The commission, as the legislature originally required, should have to provide one report at the end of its process. Legislators and commission members should view global warming policies in its entirety, not in little pieces. By looking at the whole picture, better policy decisions can be made.

Conclusion

The legislature should not extend the work of a commission that is ignoring the will of the legislature and failing to properly address global climate change. Through some simple "fixes" though, the Commission could be an important forum on global climate change. North Carolinians deserve a legitimate and thoughtful Commission, especially on an issue of this magnitude.

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End Notes

1. General Assembly of North Carolina, Session Law 2005-442, ncleg.net/gascripts/BillLookUp/BillLookUp.pl?Session=2005&BillID=S1134.
2. General Assembly of North Carolina, Session Law 2006-73, ncleg.net/gascripts/BillLookUp/BillLookUp.pl?Session=2005&BillID=S1591.
3. General Assembly of North Carolina, Session 2008, House Bill 2529, ncleg.net/gascripts/BillLookUp/BillLookUp.pl?Session=2007&BillID=HB2529.
4. *Op. cit.*, note 1.
5. Paul Chesser, "CO₂ Alarmists Bankroll CCS," *Carolina Journal*, May 24, 2007, www.carolinajournal.com/exclusives/display_exclusive.html?id=4087.
6. See, e.g., the North Carolina Climate Action Plan Advisory Group web page, www.ncclimatechange.us; *q.v.*, Daren Bakst, "Taxes, Subsidies, and Regulation: A Guide to North Carolina's Proposed Global Warming Policies," John Locke Foundation Policy Report, February 2008, www.johnlocke.org/policy_reports/display_story.html?id=147.
7. *Ibid.*; also see Dr. Roy Cordato, "It's Not Just a Good Idea, It's the Law: Climate Commission Ignores Legislative Mandates," John Locke Foundation *Spotlight* No. 309, February 20, 2007, www.johnlocke.org/spotlights/display_story.html?id=156.
8. See North Carolina Legislative Commission on Global Climate Change, 2007-2008 Membership List, www.ncleg.net/documentsites/committees/LCGCC/Commission%20Membership/LCGCC-Membership%20List%202007-2008.pdf.
9. David Tuerck *et al.*, "The Economics of Climate Change Legislation in North Carolina," The Beacon Hill Institute, Suffolk University, April 2008, johnlocke.org/site-docs/research/BHlonNC080427.pdf.
10. *Op. cit.*, note 8.
11. *Ibid.*
12. *Ibid.*
13. *Op. cit.*, note 1.
14. *Op. cit.*, note 2.