CLIMATE ACTION NOW ACT

APRIL 18, 2019.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. ENGEL, from the Committee on Foreign Affairs, submitted the following

REPORT

together with

DISSENTING VIEWS

[To accompany H.R. 9]

[Including cost estimate of the Congressional Budget Office]

The Committee on Foreign Affairs, to whom was referred the bill (H.R. 9) to direct the President to develop a plan for the United States to meet its nationally determined contribution under the Paris Agreement, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

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PURPOSE AND SUMMARY
The purpose of H.R. 9 is to direct the President to develop a plan for the United States to meet its nationally determined contribution (NDC) under the Paris Agreement (PA). The bill prohibits the use of funds to advance the withdrawal by the United States from the Agreement. It also requires the President to submit to the appropriate congressional Committees and make public a plan for the United States to meet its nationally determined contribution under the Paris Agreement to Congress 120 days after enactment. Finally, H.R. 9 requires the President to file with Congress and make public annual updates to the plan.

BACKGROUND AND NEED FOR LEGISLATION
Climate change presents significant national and international security threats to the United States in the near term, and increasingly insurmountable threats to security interests of the United States as the impacts of climate change worsen.

In 2003, the Pentagon commissioned a report to examine how an abrupt change in climate would affect our defense capabilities. Its authors concluded that it "should be elevated beyond a scientific debate to a U.S. national security concern."

More recently, in 2012 and 2014, Department of Defense Climate Change Adaptation Roadmaps stated that climate change can serve as "an accelerant of instability or conflict" that could have significant geopolitical impacts contributing to "poverty, environmental degradation, the weakening of fragile governments and food and water scarcity."

In December 2017, Congress passed, and the President signed into law the National Defense Authorization Act for Fiscal Year 2018, which states in Section 335(b) that "climate change is a direct threat to the national security of the United States."

In January 2019, the Director of National Intelligence delivered a worldwide threat assessment that "climate hazards" including extreme weather, wildfires, droughts and acidifying oceans are worsening, "threatening infrastructure, health, and water and food security."

In March 2019, in response to the President's reported plans to establish a commission to dispute military and intelligence judgments on the threats posed by climate change, 58 former senior military and national security officials signed a letter to the President warning him that "[i]mposing a political test on reports issued by the science agencies, and forcing a blind spot onto the national security assessments that depend on them, will erode our national security."

When we face pressing and intensifying global security threats like climate change, the United States is strongest when we work shoulder-to-shoulder with our friends and partners around the world.

The United Nations Framework Convention on Climate Change (UNFCCC) and the 2015 Paris Agreement are at the core of international climate change cooperation.

The United States ratified the UNFCCC, with the advice and consent of the Senate, in October 1992 (U.S. Treaty No. 102–38). It was the first international treaty to acknowledge "that change
in the Earth’s climate and its adverse effects are a common concern of humankind.” It also expressed concern “that human activities have been substantially increasing the atmospheric concentrations of greenhouse gases, that these increases enhance the natural greenhouse effect, and that this will result on average in an additional warming of the Earth’s surface and atmosphere and may adversely affect natural ecosystems and humankind.”

According the UNFCCC, “[t]he ultimate objective of this Convention and any related legal instruments that the Conference of the Parties may adopt is to achieve, in accordance with the relevant provisions of the Convention, stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. Such a level should be achieved within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner.”

On December 12, 2015, in Paris, the Parties to the UNFCCC reached a landmark agreement designed to combat climate change by accelerating and intensifying the actions needed to strengthen the global response. A key goal of the Paris Agreement—which was adopted under, and which is intended to enhance the implementation of, the UNFCCC—is to hold the increase in the global average temperature to well below 2 degrees Celsius above pre-industrial levels and pursue efforts to limit the increase to 1.5 degrees Celsius.

At present, almost 200 Parties have signed the PA. The PA contains several procedural requirements, including the submission of a non-legally binding “nationally determined contribution” to be regularly updated. NDCs set forth each Party’s intended emissions reduction targets and other mitigation measures. The U.S. nationally determined contribution is a reduction of its greenhouse gas emissions by 26 to 28 percent below a 2005 baseline in 2025.

The PA also includes a robust transparency system, which involves reporting and review regarding Parties’ inventories of greenhouse gas emissions, as well as their progress toward the implementation and achievement of NDCs. The details of this transparency system were agreed to by all parties during the December 2018 Conference of the Parties (COP) meeting in Katowice, Poland—creating a landmark accountability mechanism applicable to all parties. At the time, the State Department noted that, “[t]he outcome took a significant step toward holding our economic competitors accountable for reporting their emissions in a manner consistent with standards the United States has met since the early 1990’s.”

Finally, in terms of legal character, the Agreement contains a mixture of legally binding and non-legally binding provisions. The NDCs themselves are not legally binding, which means that there is no legal obligation to achieve the emissions targets or other mitigation measures therein. However, various other aspects of the Agreement are legally binding, including the obligations to submit and update NDCs, as well as report and be reviewed on emissions inventories and progress made in implementing and achieving NDCs.
On June 1, 2017, President Trump announced his intention to withdraw the United States from the Paris Agreement. Under the terms of the PA, the withdrawal process cannot be initiated until November 4, 2019, with effect on November 4, 2020 at the earliest.

This legislation would ensure the United States remains a party to the PA—an agreement supported by every other country in the world.

The United States was once a global leader in pushing for climate action, but the current Administration has largely abandoned these efforts. As a result, our progress in reducing emissions has dwindled and is now reversing itself. The Environmental Protection Agency’s latest data shows that reductions in greenhouse gas emissions fell to just half a percent in 2017. And according to the International Energy Agency, U.S. carbon dioxide emissions actually rose by 3.1 percent in 2018.

At a time when the world desperately needs to decrease emissions, ours are increasing. During a year in which more dirty coal plants closed than almost any other in history, our emissions surged. That means vast declines in coal use were not enough to offset the other harms caused by this Administration’s policies—like its efforts to repeal the Clean Power Plan, roll back vehicle emission standards, rescind methane-flaring rules, weaken emission standards for brick and tile manufacturers, withdraw a proposed rule reducing air pollutants at sewage treatment plants, reverse a policy that limits hazardous pollution from industrial sources, disband the Particulate Matter Review Panel, end NASA’s carbon monitoring system, and yes, its announced intent to withdraw from the PA.

Some argue that the U.S is not a party to the PA because the PA was never approved by the Senate. Not only is this incorrect as a matter of international law, but it is incorrect as a matter of U.S. law. The previous President had authority to enter into the PA derived from the Constitution, the Senate-approved United Nations Framework Convention on Climate Change, and domestic law. The vast majority of international agreements entered into by the U.S. are not approved by the Senate. Furthermore, none of the four witnesses at our April 2 hearing expressed any opinion in oral or written testimony about whether the PA should have been submitted to the Senate for ratification.

Some also argue that we should not further reduce emissions without more aggressive action from China and India. But China and India recognize both the problems and opportunities presented by climate change, and are taking action. And, if no country acts until every other country acts, no progress would ever be made.

The Chinese government acknowledged in its most recent comprehensive assessment of climate change that it is already affected by worsening floods, more extreme droughts, diminished fishery productivity and other ecological changes. It recognizes that a warming climate will threaten the country’s agricultural production, make economically important cities vulnerable to flooding and eventually dry out many of the country’s rivers.

Under the PA, China committed to leveling off its carbon emissions around 2030, reducing carbon emissions per unit of gross domestic product (GDP) by 60 to 65 percent from 2005 levels by 2030, and increasing the non-fossil share of its primary energy to 20 per-
cent. Beijing is moving aggressively to reduce emissions and deploy clean energy technologies. Despite being the world’s largest greenhouse gas emitter since 2005, China has created the world’s largest carbon market, invested approximately three times as much money into renewables as the United States, and surpassed the United States in terms of both the number of electric vehicles on the road and the number of publicly available charging stations. According to one independent study, China’s emissions may have already peaked.

China is also embracing the nexus between climate and security. In 2017, China signed a joint statement with the European Union terming rising global temperatures “a root cause of instability.” On the world stage, the Trump administration’s anticipated withdrawal from the Paris Agreement has created a global leadership void that China has been keen to exploit.

Given its huge population and levels of inequality and poverty, India stands to be one of the nations most significantly affected by climate change. The IPCC report from October 2018 says that the impact of a 1.5 degrees Celsius increase in global temperatures will “disproportionately affect disadvantaged and vulnerable populations through food insecurity, higher food prices, income losses, lost livelihood opportunities, adverse health impacts, and population displacements.”

Under the PA, India pledged to cut greenhouse gas intensity by 30 to 35 percent from 2005 levels by 2030. By the same deadline, India intends to generate 40 percent of its power capacity from non-fossil fuel sources.

To meet these targets, India is investing heavily in solar energy. In 2018, for the first time ever, new installations of power using solar cells exceeded all other types of power, and the country emerged as the world’s third-largest solar power market in 2018—surpassing Germany and Japan.

Using China and India as justifications for inaction risks ceding global leadership and unrivaled economic opportunity on this issue. It is indisputable that the whole world needs to do more if we are to be spared from the worst impacts of climate change, and the PA presents businesses and investors with an historic opportunity by signaling a new global consensus that the transition to a clean energy economy is underway.

It takes courage to experiment with new ways of doing things, and to leave old habits behind. The United States has always led on big global challenges, and now we must seize on commitments from around the world and apply the unmatched strength and ingenuity of the American government and private sector to the problem of combating climate change.

HEARING

On April 2, 2019, the Full Committee held a hearing entitled “How Climate Change Threatens U.S. National Security”. Witnesses included Vice Admiral Dennis V. McGinn, USN (Ret), Former Assistant Secretary of the Navy for Energy, Installations and Environment; The Honorable Sherri Goodman, Former Deputy Undersecretary of Defense for Environmental Security; Mr. Paul Weisenfeld, Former Assistant to the Administrator for the Bureau for Food Security, U.S. Agency for International Development; Mr.
COMMITTEE CONSIDERATION

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list each record vote on the motion to report legislation and amendments thereto. On April 9, 2019, the Committee marked up H.R. 9 pursuant to notice, in open session. The Committee advises that there were 6 record votes taken on H.R. 9, including a motion by Mr. Engel ordering H.R. 9 favorably reported to the House. The motion on final passage of the bill was approved by a record vote of 24 ayes and 16 noes. The following are the record votes taken during Committee consideration, including the names of those members voting for and against:

**Amendment:** An amendment in the nature of a substitute, offered by Mr. McCaul, which includes new findings, requires the President to include a cost-benefit analysis in his plan to reduce greenhouse gas emissions, requires the President to notify Congress prior to submitting a new NDC on behalf of the U.S. along with certain information about the impact of the NDC, and removes the requirement that the United States honor its commitments under the PA.

**Disposition:** NOT AGREED TO by a roll call vote of 16 ayes and 21 noes.


**Amendment:** An amendment offered by Mr. Curtis, requiring the President's plan to describe how the U.S. NDC compares to the NDCs of other nations.

**Disposition:** NOT AGREED TO by a roll call vote of 17 ayes and 22 noes.


**Amendment:** An amendment offered by Mr. Wright, which delays the effective date of the bill until the Secretary of State certifies that China and Russia have each committed to emissions reductions that are equivalent to those of the United States.

**Disposition:** NOT AGREED TO by a roll call vote of 16 ayes and 23 noes.

Voting aye: McCaul, Chabot, Wilson, Perry, Yoho, Kinzinger, Zeldin, Wagner, Mast, Curtis, Buck, Wright, Burchett, Pence, Watkins, and Guest.

Voting no: Engel, Meeks, Sires, Connolly, Deutch, Bass, Keating, Cicilline, Bera, Castro, Espaillat, Lieu, Wild, Phillips,
Allred, Levin, Spanberger, Houlahan, Malinowski, Trone, Costa, Vargas, and Gonzalez.

Motion: A motion to table Mr. Buck’s appeal of the ruling of the chair that his amendment was not germane.

Disposition: Motion to table AGREED TO by a roll call vote of 23 ayes and 17 noes.


Voting no: McCaul, Smith, Chabot, Wilson, Perry, Yoho, Kinzinger, Zeldin, Wagner, Mast, Curtis, Buck, Wright, Burchett, Pence, Watkins, and Guest.

Amendment: An amendment offered by Mr. Zeldin, which delays the effective date of the bill until the Senate approves the Paris Agreement.

Disposition: NOT AGREED TO by a roll call vote of 17 ayes and 24 noes.


Motion: A motion by Mr. Engel to order H.R. 9 favorably reported to the House (final passage).

Disposition: AGREED TO by a roll call vote of 24 ayes and 16 noes.


Voting no: McCaul, Chabot, Wilson, Perry, Yoho, Kinzinger, Zeldin, Wagner, Mast, Curtis, Buck, Wright, Burchett, Pence, Watkins, and Guest.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII of Rules of the House of Representatives, the committee reports that findings and recommendations of the committee, based on oversight activities under clause 2(b)(1) of House Rule X, are incorporated in the descriptive portions of this report, particularly in the ‘Background and Need for Legislation’ section.

NEW BUDGET AUTHORITY, TAX EXPENDITURES, AND FEDERAL MANDATES

In compliance with clause 3(c)(2) of House Rule XIII and the Unfunded Mandates Reform Act (P.L. 104–4), the committee adopts as its own the estimate of new budget authority, entitlement authority, tax expenditure or revenues, and Federal mandates contained in the cost estimate prepared by the Director of the Congressional
President Trump announced that the United States would withdraw from the Paris Agreement in June 2017. However, under the Agreement the earliest the United States can give official written notice of its intent to withdraw is November 2019 and the earliest that withdrawal may take effect is one year after that notification.

Congressional Budget Office pursuant to section 402 of the congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 15, 2019.

HON. ELIOT ENGEL,
Chairman, Committee on Foreign Affairs,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN:

The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 9, the Climate Action Now Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Stephen Rabent and Sunita D’Monte.

Sincerely,

KEITH HALL.

Enclosure.

cc: HONORABLE MICHAEL McCaul.
Ranking Member.

H.R. 9 would prohibit funds from being authorized to be appropriated, obligated, or expended to take actions to withdraw the United States from the United Nations Framework Convention on Climate Change’s 21st Conference of Parties in Paris, France (known as the Paris Agreement). CBO estimates that the prohibition would have no significant effect on the Federal budget because the costs to implement the withdrawal under the Paris Agreement would be negligible.1 H.R. 9 also would require the President to develop a public plan for the United States to meet certain targets for greenhouse gas emissions as agreed to under the Paris Agreement and how the United States will confirm other parties to the Paris Agreement are fulfilling their targets. That plan would be updated annually. H.R. 9 does not require the United States to implement the plan nor prescribe the scope or level of detail required in the plan.

The costs to implement those provisions of H.R. 9 could vary significantly depending on the level of effort Federal agencies would devote to prepare the required plan. Agencies could adapt previously developed plans to fulfill the bill’s requirements, such as those previously produced by the Department of State or Environmental Protection Agency in recent years. On the other hand, agencies may produce new plans that provide specific actions, policy recommendations, and regulatory and legislative proposals that also would fulfill the bill’s requirements. Based on information from the Administration, CBO estimates that agencies would expend minimal efforts to prepare the required plan at a cost of $1 million over

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1President Trump announced that the United States would withdraw from the Paris Agreement in June 2017. However, under the Agreement the earliest the United States can give official written notice of its intent to withdraw is November 2019 and the earliest that withdrawal may take effect is one year after that notification.
of the 2019–2024 period; such spending would be subject to the availability of appropriated funds.

On April 15, CBO transmitted a cost estimate for H.R. 9, the Climate Action Now Act, as ordered reported by the House Committee on Energy and Commerce on April 4, 2019. The two bills are similar and CBO’s estimates of the budgetary effects are the same.

The CBO staff contacts for this estimate is Stephen Rabent and Sunita D’Monte. The estimate was reviewed by Theresa Gullo, Assistant Director for Budget Analysis.

**NON-DUPLICATION OF FEDERAL PROGRAMS**

Pursuant to clause 3(c)(5) of House Rule XIII, the committee states that no provision of this resolution establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

**PERFORMANCE GOALS AND OBJECTIVES**

The purpose of H.R. 9 is to direct the President to develop a plan for the United States to meet its nationally determined contribution under the Paris Agreement. The bill prohibits the use of funds to advance the withdrawal by the United States from the Agreement. It also requires the President to submit to the appropriate congressional Committees and make public a plan for the United States to meet its nationally determined contribution under the Paris Agreement to Congress 120 days after enactment. Finally, H.R. 9 requires the President to file with Congress and make public annual updates to the plan.

**CONGRESSIONAL ACCOUNTABILITY ACT**

H.R. 9 does not apply to terms and conditions of employment or to access to public services or accommodations within the legislative branch.

**NEW ADVISORY COMMITTEES**

H.R. 9 does not establish or authorize any new advisory committees.

**EARMARK IDENTIFICATION**

H.R. 9 contains no congressional earmarks, limited tax benefits, or limited tariff benefits as described in clauses 9(e), 9(f), and 9(g) of House Rule XXI.

**SECTION-BY-SECTION ANALYSIS**

Section 1. Short Title. This Act may be cited as the “Climate Action Now Act.”

Section 2. Findings. This section establishes that in Paris, on December 12, 2015, parties to the UNFCCC reached a landmark agreement designed to combat climate change by accelerating and intensifying the actions needed to strengthen the global response.
The PA contains several procedural requirements, including the submission of a non-legally binding “nationally determined contribution,” to be regularly updated. The U.S. nationally determined contribution is a reduction of its greenhouse gas emissions by 26 to 28 percent below a 2005 baseline in 2025. On June 1, 2017, President Trump announced his intention to withdraw the United States from the Paris Agreement. Under the terms of the PA, the withdrawal process cannot be initiated until November 4, 2019, with effect on November 4, 2020 at the earliest.

Section 3. This section prohibits the use of funds to advance the withdrawal by the United States from the Paris Agreement.

Section 4. This section requires the President to submit to the appropriate congressional

Committees and make public a plan for the United States to meet its initial nationally determined contribution under the Paris Agreement to Congress 120 days after enactment. In its initial NDC, the United States committed to reducing greenhouse gas emissions 26–28 percent below 2005 levels in 2025. This section also requires the President to file with Congress and make public annual updates to the plan.

Section 5. Definitions. This section defines the term “Paris Agree-
DISSENTING VIEWS

H.R. 9, the Climate Action Now Act, misses an opportunity to advance bipartisan solutions to address climate change. Instead, the bill doubles down on commitments made unilaterally by President Obama under the Paris Agreement to reduce United States greenhouse gas (GHG) emissions years before China—the world’s largest GHG emitter—even begins to reduce emissions under its own Paris commitments.

The Paris Agreement under the United Nations Framework Convention on Climate Change entered into force in 2016. President Obama signed an instrument of acceptance of the agreement on behalf of the United States without any role for Congress. The President opted not to submit the agreement as a treaty to the Senate for ratification, much less consult Congress prior to submitting the U.S. nationally determined contribution (NDC) to reduce domestic greenhouse gas emissions by 26 to 28 percent below 2005 levels by 2025, which H.R. 9 attempts to codify into domestic law. According to an analysis\(^1\) by the World Resources Institute of the top 100 greenhouse gas emitters, the United States is just one of twelve countries to adopt the Paris Agreement through unilateral action by the President, without any role for the legislature.

At a hearing Foreign Affairs Committee hearing on April 2, 2019, entitled How Climate Change Threatens U.S. National Security, witnesses and Members representing both political parties shared a common view of the threat climate change poses to the United States and the importance of technology and innovation to addressing the challenge. Unfortunately, H.R. 9 does nothing to bolster research or promote innovation. In fact, Democrats on the Foreign Affairs Committee voted unanimously against an amendment to the bill that stated, United States Government actions taken to address the challenge of climate change should enjoy broad, bipartisan support, including policies that promote private sector-led innovation and technological advancement. Democrats on the committee also voted down an amendment calling for the Senate to approve a resolution of advice and consent to ratification of the Paris Agreement, despite the fact that all four witnesses at the April 2nd hearing—including three witnesses invited by the Democrat majority—expressed agreement that President Obama should have submitted the Agreement to the Senate for ratification.

President Obama’s GHG pledge was submitted on behalf of the United States without any economic justification or cost-benefit analysis. The private sector was also not consulted before the NDC was submitted to the United Nations. Accordingly, Congress only has third party analyses to rely on, one of which found that America’s NDC could cost up to 2.7 million jobs and $250 billion in gross

\(^1\) https://www.wri.org/publication/domestic-processes-joining-paris-agreement
domestic product by 2025. This is why Republicans on the Foreign Affairs Committee supported an amendment to H.R. 9 which would require the President to notify Congress before submitting any future NDCs, including with information such as an economic analysis, an evaluation of the impact of the NDC on U.S. economic competitiveness and national security interests, how it will impact world energy markets, and what the NDC will mean for U.S. international efforts to alleviate energy poverty. Democrats unfortunately rejected this approach, preferring to stick with a commitment that cannot be justified economically.

On June 1, 2017, President Trump announced his intent to withdraw the United States from the agreement but begin negotiations to reenter either the Paris Accord or a really entirely new transaction on terms that are fair to the United States, its businesses, its workers, its people, its taxpayers. Whether the United States remains a party to the Paris Agreement or not, Republicans agree that addressing climate change requires an international effort, which the United States should lead as a role model for other countries. The United States Energy Information Administration estimates that United States energy-related carbon dioxide emissions declined by 14 percent from 2005 to 2017, starting well before the United States became a party to the Paris Agreement. This impressive decline brought greenhouse gas emissions to their lowest levels since 1992. A Republican-sponsored substitute amendment to H.R. 9 would have required regular briefings to Congress by the President on the status of any international negotiations to address climate change.

America’s impressive record of reducing GHG emissions contrasts starkly with China and India, the world’s largest and third largest emitters, respectively, which plan to continue increasing their emissions until 2030 under their commitments pursuant to the Paris Agreement. Russia, the fourth largest emitter, has not even ratified the Paris Agreement.

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3 https://www.whitehouse.gov/briefings-statements/statement-president-trump-paris-climate-accord/
4 https://www.eia.gov/todayinenergy/detail.php?id=36953
Instead of doubling down on a pledge that Congress had no role in setting, that will have an unknown—and potentially catastrophic—impact on the U.S. economy, and which will do nothing to address China's (and other countries') growing emissions, Republicans believe that Congress should work on bipartisan legislation to boost research, advance technologies, promote innovation, and develop real solutions to climate change. The Climate Action Now Act falls short in all of these categories.

MICHAEL T. McCaul,
Ranking Member,
House Committee on Foreign Affairs.