U.S. Climate Policy: Regulatory and Tax Outlook

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Executive Order: Reducing Regulations and Controlling Regulatory Costs

- “2-for-1” regulations
- 2017 regulatory cap, regulatory budget thereafter
- Military, management, statutory loopholes
- Importance of guidance from OMB
Executive Order: Promoting Energy Independence and Economic Growth

• Rollback of Clean Power Plan

• Rollback of methane rule for O&G operations

• Lift mine lease moratorium and stops PEIS

• Struck various guidance documents
What Energy-Climate EO Doesn’t Do

- Endangerment Finding
- Paris Agreement and UNFCCC
- Social Cost of Carbon
- Fuel economy and tailpipe standards
Carbon Tax Proposals

• Shultz-Baker/Feldstein-Mankiw proposal
  § $40/tCO2 tax, increasing 2% real per year
  § Revenue-neutral: revenues finance per capita dividends
  § Carbon border tax
  § Streamline regulations

• Yesterday’s rumor: WH considering C tax or VAT
  § Reasoning similar to Domenici-Rivlin 2010 proposal and Aldy 2016 proposal
Papers and Contact Information


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