

# The Voter



## Items of Interest

- **Curbing Greenhouse Gas Emissions**
- **LWV Minnesota Position on Alternative Voting Systems**
- **NPV Consensus Meeting on March 21**

## Save the Date!

~League of Women Voters of Maine Board Meeting, Thursday, March 12, 10:00 a.m. to 3:00 p.m., University of Maine at Augusta.

~Harpwell Town Meeting, Saturday, March 14, 9:00 a.m., Harpswell Islands School, Route 24.

~Sunshine Week, March 15 to 21. *Looking for the Sunshine* is a project to broaden public awareness about the issues involved in, and the threats related to, accountability and transparency in government.

~National Popular Vote Compact Consensus Meeting, Saturday, March 21, 10:00 a.m., Curtis Memorial Library, Brunswick.

~League of Women Voters of Maine Convention, Friday and Saturday, May 1 and 2, Bowdoin College, Brunswick.



## What Is Instant Runoff Voting?

Augusta, ME — On Thursday, January 8, the Board of the League of Women Voters of Maine voted to seek concurrence with the League of Women Voters of Minnesota on the issue of Instant Runoff Voting (IRV). Prior to the State Convention in May, there will be local consensus meetings on this issue.

According to FairVote America, a proponent of this election method, IRV allows voters to rank candidates in order of preference (i.e. first, second, third and so on). Voters have the option to rank as

many or as few candidates as they wish, but they can vote without fear that ranking less favored candidates will harm the chances of their most favored candidates.

First choices are then tabulated. If a candidate receives a majority of first choices, he or she is elected.

If nobody has a clear majority of votes on the first count, a series of runoffs are simulated, using each voter's preferences indicated on the ballot. The candidate who receives the fewest first place choices is eliminated. All bal-

lots are then recounted with each ballot counting as one vote for each voter's highest ranked candidate who has not been eliminated. The weakest candidates are successively eliminated, and voters' ballots are redistributed to next choices until a candidate obtains a majority of votes.

For a thorough explanation of this process, go to [www.lwvme.org](http://www.lwvme.org). There, you can read the LWV Minnesota Study Guide under LWVME Programs & Projects, IRV Concurrence. In addition, see the language of the Minnesota position on page 3.

## Harpwell Town Meeting on March 14

Harpwell, ME — The Harpswell Town Meeting is scheduled to take place on Saturday, March 14, at 9:00 a.m. at the Harpswell Islands School on Route 24.

Among the items for discussion will be a proposal to amend the recall of elected officials ordinance to make it easier for voters to remove

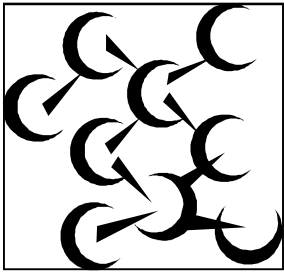
officials from office. The proposal reduces from 33 to 20 the percentage of registered voters who must sign a petition.

There are two candidates on the ballot for the selectman position being vacated by Amy Haible. They are David I. Chipman, of South Harpswell, and Elinor Multer, of Orr's

Island.

Joanne Rogers, of Bailey Island, is running unopposed for a seat on the SAD 75 Board of Directors.

Frank Martin Baker, of Orr's Island, is running against incumbent Robert E. Venard, of Orr's Island, for Road Commissioner.



## Curbing Greenhouse Gas Emissions - Eleanor Revelle, LWVUS

Washington, DC - Facing the growing evidence that burning fossil fuels is contributing significantly to global climate change, policymakers are evaluating strategies for reducing U.S. greenhouse gas emissions. They have two general approaches to consider.

### Cap-and-Trade

With a cap-and-trade system, policymakers set a limit on the quantity of a pollutant (e.g., CO<sub>2</sub>) that can be emitted in a given period. The total emissions allowed under this cap are divided into permits representing the right to emit a given amount (e.g., one ton of CO<sub>2</sub>). The permits are then allocated to the sources covered by the program (e.g., power plants). At the end of the compliance period, each source must report all emissions and surrender an equivalent number of permits.

Because the number of permits is limited, they have financial value. Companies able to reduce emissions at low cost can sell the permits they do not need to companies only able to reduce emissions at higher cost. Each company has the flexibility to choose how to meet its emissions target, but market incentives encourage them to develop new, cleaner technologies. Over time, the cap is lowered to achieve more aggressive emissions-reduction goals.

### Carbon Tax

A carbon tax is imposed on fossil fuel suppliers at a rate that reflects the amount of carbon that will be emitted when the fuel is combusted. The tax is included in the price of the coal, oil or natural gas supplied to wholesale users and ultimately is passed on to consumers in the price of electricity, gasoline and other energy-intensive products. By raising the price of carbon-based energy, the tax creates incentives to reduce energy use, stimulates demand for more energy-efficient products, and promotes a shift to cleaner fuels and renewable energy.

### Emissions Certainty

The strength of the **cap-and-trade** approach is that it sets firm limits on emissions. The cap is set at a level designed to achieve a desired environmental outcome (e.g., a reduction of CO<sub>2</sub> emissions to 80 percent of 1990 levels by 2050).

A **carbon tax** allows the quantity of emissions to fluctuate as the demand for energy rises or falls. Allowing emissions to vary from year to year gives firms the flexibility to abate less and pay more in taxes when abatement costs are unusually high (and vice-versa when abatement costs are low). To achieve climatic goals, the tax rate can be adjusted over time to attain greater emissions reductions.

### Price Predictability

The advantage of a **carbon tax** is that it fixes the price of carbon emissions. It creates a permanent incentive to reduce emissions, thereby encouraging investment in alternative fuels and energy-efficient technologies that have high up-front costs.

Under a **cap-and-trade** system, the price of emissions permits may vary considerably from year to year. An especially cold winter, for example, could increase the demand for energy and cause a spike in the price of permits. This volatility could weaken incentives to invest in cleaner technologies.

For illustrative purposes, this paper focuses on a cap-and-trade system for carbon dioxide (CO<sub>2</sub>).

To address volatility, most cap-and-trade proposals include cost-control mechanisms.

Safety valve—establishes a ceiling on the price of permits. If the price reaches this level, the government can sell additional permits at this price to the capped entities.

Circuit breaker—freezes a gradually declining emissions cap if the permit price rises above a predetermined level.

*(Continued on page 3)*

## Cap-and-Trade v. Carbon Tax

(Continued from page 2)

**Banking**—allows companies to save unused allowances for future years.

**Borrowing**—allows companies to borrow permits from future years and pay them back, with interest, later.

**Offsets**—allow companies to cover some of their emissions by purchasing credits created by carbon mitigation projects (e.g., tree planting) from sources outside the cap-and-trade system.

These mechanisms (with the exception of banking) could delay emissions reductions and undermine the integrity of the cap.

### Environmental Effectiveness

The impact of a **cap-and-trade** system depends on a number of factors. How stringent is the emissions target? How will baseline emissions be measured and a corresponding and appropriate number of emissions permits be determined and distributed? Will the cap be applied economy-wide or only to cer-

tain sectors? Does it include cost-control measures that are likely to break the emissions cap?

The impact of a **carbon tax** depends in large part on whether the tax rate is set high enough to create real market incentives for companies to develop and adopt climate-friendly technologies. Although a carbon tax does not establish a firm limit on emissions, it applies economy-wide and provides a constant incentive for companies to make carbon-saving investments. The tax rate can be increased over time to provide stronger incentives to reduce emissions.

### Equity

Under many **cap-and-trade** proposals, a substantial number of the emissions permits must be distributed free to the capped entities. Research indicates that only a modest portion of the permit value is needed to offset the costs of the cap, but the full amount is passed along in increased prices to consumers. This would disproportionately affect lower-income households because they tend to spend a

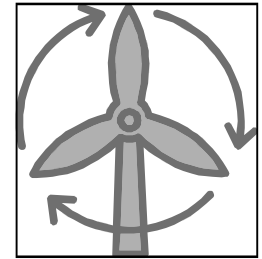
larger fraction of their income and because energy products make up a larger share of that spending.

A **carbon tax** directly raises substantial revenues. These could be used in part to fund "progressive" tax-shifting policies that would reduce the burden of higher energy costs on lower-income groups.

### *Simplicity and Transparency*

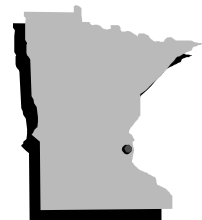
A **cap-and-trade** system requires new institutions (e.g., a system to allocate permits, markets where firms can buy and sell permits, a means of monitoring emissions and trades). Auctioning permits rather than distributing them free could help promote simplicity and transparency.

A **carbon tax** can be levied and collected via existing institutions with experience in enforcing compliance. It is simpler and less expensive to administer and enforce than a cap-and-trade system. Its underlying premise—the price of energy should include the environmental costs associated with its production—is transparent and readily understood.



## LWV Minnesota Position on Alternative Voting Systems

Support of the option to use Instant Runoff Voting to elect State or Local Officials in single seat elections. LWVMN also supports the continued use of the plurality voting system in our elections. The LWVMN Board reserves the right to decide the appropriateness of legislation proposing to replace the plurality voting system with the Instant Runoff System at the state level. LWVMN strongly supports the right of local governments and municipalities to choose Instant Runoff Voting for their own elections. Voters need to understand how votes in an election are tabulated and how a candidate actually wins an election. If a change in elections occurs, LWVMN strongly supports adequate voter education.





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*Please deliver to:*

***The League of Women Voters is where  
hands-on work to safeguard democracy  
leads to civic improvement.***

Send your email address to [lwbva@gwi.net](mailto:lwbva@gwi.net).  
*The Voter* is now available electronically!

## Come to the Consensus Meeting!

### **NPV Compact Consensus Meeting on March 21**

Brunswick, ME - Members of the League of Women Voters of the Brunswick Area are encouraged to participate in a local consensus meeting about the LWVUS study on the National Popular Vote Compact. The meeting will take place at the Curtis Memorial Library in the second floor seminar room on Saturday, March 21, at 10:00 a.m. Guests are welcome, but only members may vote.

This consensus meeting should be much shorter than last year's meeting about immigration. This time, there are only seven questions. They are

as follows:

Questions 1 and 2 ask whether alteration of the constitutional framework should be undertaken by amendment to the Constitution or through the compact process.

Question 3 asks if the possibility that the NPV Compact will require consent from Congress makes it advisable that such consent be solicited in advance.

Question 4 asks about the level of enforcement concerns.

Question 5 asks if uniformity

of voting systems or the popular election of the president is more important.

Question 6 asks if the popular election of the president is more important than the abolition of the Electoral College.

Question 7 asks about the likelihood of the NPV Compact and/or a constitutional amendment being passed.

For more information about the study, go to [www.lwv.org](http://www.lwv.org) and type NPV Compact into the Search feature.

