Statement of Lisa P. Jackson
Administrator, U.S. Environmental Protection Agency
Hearing on Energy and Climate Legislation
Committee on Environment and Public Works
U.S. Senate
July 7, 2009

Chairman Boxer, Ranking Minority Member Inhofe, and members of the Committee, thank you for inviting me to testify about new legislation to get America running on clean energy. Let me begin by commending you for starting Senate hearings on this, the second legislative day after the House of Representatives passed the American Clean Energy and Security Act. Immediately after that historic vote on June 26, President Obama called upon the Senate to demonstrate the same commitment we saw in the House to building a clean-energy foundation for a strong American economy. I am grateful that this Committee has wasted no time in answering that call.

The House bill reflects the principles the President believes are essential for our nation's energy future: decreasing our dependency on foreign oil, creating millions of new jobs in emerging clean-energy technologies, and reducing the pollution that is a danger to our children.

I know there are a variety of proposals pending in the Senate that have the same goals, and I am looking forward to working with all the Committee members as you move forward on this effort.

Clean energy is to this decade and the next what the Space Race was to the 1950s and '60s, and America is behind. Governments in Asia and Europe are ahead of the United States in making aggressive investments in clean-energy technology. American businesses need strong incentives and investments now in order for this nation to lead the 21st Century global economy.

We are also coming late to the task of leading the world's major greenhouse-gas emitters to reverse our collective emissions' growth in time to avert catastrophic climactic changes that would severely harm America's economy and national security within our children's lifetimes. The necessary shared effort will not begin in earnest unless and until the United States leads the charge.

The advantage of the kind of legislation the President has called for is that it ramps up investment in developing new clean-energy technologies while giving companies an effective incentive to use those technologies to reduce greenhouse-gas pollution. It does so without raising taxes or increasing the deficit.

I do not mean to say that we can get something for nothing. But according to the Congressional Budget Office's analysis of the American Clean Energy and Security Act, the net cost to the average American household in 2020 would be less than 50 cents a day. For the wealthiest fifth of American households, the net cost would be less than 70 cents a day. The poorest fifth would actually see a net gain of more than ten cents a day. That is what your economists have reported to you.

People have pointed out that the per-household impact would not be uniform across the country – that the costs would be higher in a few states where people drive very long distances and rely almost exclusively on coal for electricity. Yet even if the cost borne by the average family in such a state were double the national average, it still would be just a dollar a day.

That figure does not account for the economic benefits of saving our children from living with increased drought, fire, pests, flooding, and disease. It does not account for the benefit of decreasing our dependency on foreign oil. Can anyone honestly say that the head of an American household would not spend a dollar a day to safeguard the wellbeing of his or her children, to reduce the amount of money that we send overseas for oil, to place American entrepreneurs back in the lead of the global marketplace, and to create new American jobs that pay well and cannot be outsourced?

Labor unions support this kind of legislation because they know it will indeed create millions of high-paying American jobs that cannot be exported. Manufacturing companies support it because they know it will provide needed investment in research and development while creating markets for the American clean-energy technologies born from that investment. Electric utilities support it because they know it will expand our use of reliable, domestic sources of energy like wind, solar, geothermal – and, yes, safer nuclear power – and, yes, cleaner coal. Consumer advocates support it because they know it will strengthen the long-term economic foundation for all Americans without imposing short-term economic hardship on any Americans. And environmental groups support it because they know it is our best chance of preventing catastrophic harm to public health and our natural environment.

Of course, there are still interest groups out there opposing this effort. But I think the tide is turning against the defenders of the status quo, who want more of the same policies that made us dependent on foreign oil and that caused America to forfeit the lead in the burgeoning global competition to sell clean-energy technology. I think Americans want reform that harnesses the country's can-do spirit. I think they want to fuel long-term economic recovery with a wise investment that sparks a clean-energy transformation in our economy and that protects our children and grandchildren.

That is what the President wants. That is what I want. I believe many Senators want the same thing. Please consider the Environmental Protection Agency a partner in this effort to get America running on clean energy. And, please, keep up the momentum.

Thank you. I look forward to answering your questions.