



**Hold Polluters Accountable for their Emissions:
Support the Polluters Pay Climate Fund Act of 2024!**

Polluters Pay Climate Fund Act of 2024 - Introduced by Rep. Jerry Nadler [D-NY-12], Rep. Judy Chu [D-CA-28], and Sen. Chris Van Hollen [D-MD] on September 12th, 2024

Background

For years, the American public has asked the same question: *Why aren't the corporations responsible for climate change paying for our efforts to address it?* For over 60 years, fossil fuel companies have been fully aware of their role as polluting culprits in global climate change—and have still taken little to no action to remedy their businesses' impacts on environmental and human health. It only follows that those companies take responsibility and direct a fraction of their profits toward climate remediation.

Summary

The Polluters Pay Climate Fund would provide a “Climate Superfund” avenue through which the heaviest-emitting fossil fuel companies would pay for the damage they have caused. The Fund would collect \$1 trillion over 10 years, which would go toward climate remediation and infrastructure repair.

What the bill DOES call for:

- **Establishes the Polluters Pay Climate Fund:** Authorizes the Treasury to establish the Polluters Pay Climate Fund and collectively charge top-polluting fossil fuel companies a total of \$1 trillion over 10 years.
- **Sets a narrow cutoff to include only the biggest polluters:** This fee would apply to fossil fuel companies responsible for at least one billion tons of carbon dioxide emissions between 2000-2022. Experts anticipate that this will include about 50 companies total.
- **Adjusts for proportional pay-ins:** The amount each company would pay into the Fund would be proportional to its emissions in excess of 1 billion metric tons of carbon dioxide.
- **Uses the fund for climate remediation and infrastructure repair:** The fund would be used to remediate the impacts of climate change in a variety of ways, such as rebuilding and upgrading infrastructure, cleaning up the impacts of pollution in frontline communities, and providing climate-related disaster assistance. The bill emphasizes environmental justice, as well, with **40%** of the fund allocated for investments that benefit environmental justice communities, in alignment with Justice40 initiatives.

What it DOESN'T call for:

- **The bill does NOT raise energy prices for consumers.** The market price of gas is determined by supply and demand, neither of which would be affected by the fund. Gas supply depends on raw resource availability and ongoing production costs, which are insulated from the fund since its tax assessment only analyzes producers' *past activity* and not current activity (production). Only the companies with the very highest past production are subject to the fund's assessment, allowing non-assessment companies to act as competitors on price and market share. Due to antitrust laws, any collusion by companies in the fund to raise prices would be illegal. Gas demand would not be affected by the fund either, since it depends on consumer preferences and broader factors like the overall state of the economy.
- **The bill does NOT charge fossil fuel companies more than they can pay.** It is a myth that polluters pay legislation is designed to bankrupt fossil fuel companies. In 2023, the oil and gas industry earned over \$2.6 trillion in record-breaking income. CEOs at ExxonMobil and Chevron received individual compensation packages of approximately \$26 million and \$36 million, respectively, and the top five companies' average 2023 profit was approximately \$24.1 billion¹. If a select group of 50 top polluters pay around \$2 billion each into the fund per year, that's merely a fraction of total profits. (Only 8% of profits, for those top five companies; though their pay-in would be higher due to the proportional pay-in component.)
- **The bill does NOT disadvantage the United States** in its global energy competitiveness. The fund is not restricted to American companies and would in fact include mostly international corporations instead.
- **The bill does NOT preempt existing Polluters Pay superfund laws** or lawsuits at the state level. States can continue to pass superfund laws, file lawsuits, and collect state funding.

Conclusion:

The Polluters Pay Climate Fund Act of 2024 would take U.S. climate legislation a step further than merely *acknowledging* the ecological, environmental justice, and public health consequences of decades of fossil fuel industry emissions: it would mandate a start to retribution and reparations. Through a strict-liability policy, modeled after successful toxic-cleanup Superfund laws in the U.S., this legislation addresses the overwhelmingly popular opinion that polluters—not people—should pay the bill for climate damage. At this critical juncture in the short history of climate policy, we need solutions that hold polluters accountable, promote resilience, and save lives.

¹Energy Profits, sourced from company reporting in 2023. <https://energy-profits.org/>