

Federal Policy Outlook 2010

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February 16, 2010

The Legislative Context -- House

- H.R. 2454 (Waxman-Markey)
 - Offsets program – 2 years after passage
 - Run by EPA – Paid for by Offset projects
 - Early Action Credit – State or Tribal Programs Only
 - After January 1, 2009
 - Focus on Project-Federal Contracting
 - Administration may be delegated to States or Tribes
 - No apparent role for Aggregators
 - Peterson Amendment included U.S. forest offsets; role for USDA.
 - Passed out of House, June 2009 (219-212)

The Legislative Context--Senate

- S. 1733 (Kerry-Boxer)
 - U.S. Forest offsets included; better incentives program for improving carbon management
 - Passed out of Senate Environment with no markup; Republican members did not participate.
- S. 2729 (Stabenow)
 - Strong inclusion of forest offsets, incentives
- Kerry-Lieberman-Graham
 - Compromise bill promised sometime in 2010.

Offsets and Organizations

- Forestry – Forests Carbon Working Group
 - Developed Policy Position Statement – 29 Signers
 - Working with House Agriculture Committee
 - Individual organizations working as well
- Agriculture/Forestry – 25x'25 Coalition
 - Pressing for larger USDA role
 - Advocating programmatic approach to permanence
 - Many member organizations at work
- Forest Carbon Standards Committee
 - Developing bi-National Standards (ANSI/CSA)

The Political Context

- Senate appears stalled
- Health care, Economic issues (Jobs), take stage
- Climate Science Critics have field day
 - Email scandal
 - IPCC errors
 - Cold winter
- Economic Impact of Cap and Trade
- 2010 Election
 - No victories for Administration

Prospects for Cap-and-Trade

- 2010 – Could get limited Energy Bill
 - Cap and Trade not likely to be included
- 2011 – Depends on election results, economy, and political situation
 - Too soon to tell
 - Possible that C&T fades off the federal political agenda, at least for a while.
- State/Regional programs will most likely be the focus of C&T activity for several years.