

What Leading Free Market Voices Are Saying About The PROVE IT Act

[“Prove It” Act Lays the Groundwork for a Carbon Tariff](#)

June 26, 2023

“Recently, the carbon tariff issue has been getting a lot of attention. This is true both in Congress and abroad as the European Union just instituted its own carbon border tax earlier this year. In the U.S., there has been talk of instituting a similar policy for a while now, with advocates for the issue on both sides of the aisle. Call it a “carbon tax,” a “carbon border tax,” “carbon pricing” or a “carbon tariff,” but for consumers, it simply means making everything cost more via a hidden tax politicians can use to spread around to their political supporters. Politicians are always looking for ways to generate new money to spend, and if they can hide the tax from voters, all the better.”

[Prove It Act Policy Brief](#)

November 2nd, 2023 ([Full PDF](#) November 1st, 2023)

“Earlier this year, Senators Kevin Cramer (R-ND) and Chris Coons (D-DE) jointly proposed the Providing Reliable, Objective, Verifiable Emissions Intensity and Transparency (PROVE IT) Act. This bill aims to instruct the Department of Energy (DOE) to undertake a thorough examination, comparing the emissions intensity of specific goods manufactured in the United States to the emissions generated by the same goods manufactured in other countries. However, the PROVE IT Act is not just some innocuous data collection effort as it opens the door to the government imposing protectionist tariffs as well as a domestic carbon tax.”

[Senator Cassidy’s New Climate Tax](#)

November 2nd, 2023

“If the aim is to support American industry and improve the environment, Senator Cassidy and his fellow policymakers should explore alternative strategies rather than resorting to carbon tariffs as a form of trade protectionism. While tariffs might offer short-term benefits to specific sectors of the American industry, the long-term consequences will prove to be detrimental as the net result will be significant harm to the American economy and people. Finally, carbon tariffs are not likely to produce significant environmental benefits as shielding businesses from foreign competition in a global marketplace limits the competitive pressures that drive innovation and efficiency. These are important aspects of free trade that benefit consumers, industry, and the environment alike.”



[The Plugged In Podcast #86: Jordan McGillis on Carbon Border Tariffs](#)

May 17th, 2022

“On this episode of The Plugged In Podcast, Jordan McGillis, IER’s Deputy Director of Policy, joins the show to discuss new carbon border tariffs legislation recently unveiled in Congress and his new report on the topic.”

[AEA Joins Broad Coalition Urging Senators to Reject the PROVE IT Act](#)

January 18th, 2024

“In advance of today’s Senate Environment & Public Works Committee markup of S. 1863, the PROVE IT Act of 2023, a coalition of more than 40 organizations sent a letter urging Congress to reject the legislation. The PROVE IT Act directs the U.S. Department of Energy to set up the necessary infrastructure to tax imported goods based on their carbon dioxide content, which would then be used to establish a tax on energy intensive imports and then later a domestic tax on carbon dioxide.”

[“Prove It” Act Lays the Groundwork for a Carbon Tax](#)

June 28th, 2023

“Recently, the issue of a carbon tariff has been getting a lot of attention. This is true both in Congress and abroad as the European Union just instituted its own carbon border tax earlier this year. In the U.S., there has been talk of instituting a similar policy for a while now, with advocates in both the Republican and Democratic party. Call it a “carbon tax,” a “carbon border tax,” “carbon pricing” or a “carbon tariff,” but for consumers, it simply means making everything cost more via a hidden tax politicians can use to spread around for their political priorities. You can probably guess that you aren’t on that list.”

[Why Are Republicans Embracing Biden’s Potential Second Term Climate Plan?](#)

May 17th, 2024

“John Podesta, President Biden’s climate czar, recently suggested that a carbon border tax could be proposed during the second term of the Biden administration. A carbon border tax involves levying taxes on imports based on their estimated greenhouse gas emissions. Given the interconnected nature of the global economy and the presence of foreign components in most consumer products, a tariff targeting greenhouse gas emissions on imports essentially functions as a tax on everything. As we have pointed out in numerous places, the brunt of this energy tax would be borne by the American people, particularly the most vulnerable: the impoverished, the elderly, and individuals on fixed incomes as the costs of taxes on imported goods will ultimately be passed to them.”



[Myths and Facts About the PROVE IT Act](#)

Daren Bakst, The Competitive Enterprise Institute May 1st, 2024

“Many bill supporters readily acknowledge that it will [result in](#) carbon taxes of some kind. Since 2021, about half of the sponsors of the PROVE IT Act [have sponsored bills imposing carbon](#) taxes on imports. Many of these sponsored bills also impose domestic carbon taxes. Sen. Kevin Cramer (R-ND) has [repeatedly argued](#) for working with the European Union on climate policy. He [wrote](#): “We have an opportunity to counter Putin’s playbook with a bold initiative consistent with European priorities... One aspect of that initiative could be a joint trade mechanism between the United States and the European Union that levels a common carbon fee on imported goods.”

[Why the PROVE IT Act Would Result in Carbon Taxes](#)

Daren Bakst, The Competitive Enterprise Institute, April 29th, 2024

“The [PROVE IT Act](#) (S. 1863) is not a benign information collection bill on the carbon intensity of domestic and foreign goods. Instead, it would put in motion the creation of carbon taxes: a carbon tax on imported goods and a domestic carbon tax. It would also help the Biden administration as it works with the EU to impose carbon taxes on imported metals.”

[Why Policymakers Should Reject the PROVE IT Act: It’s a Pro-Tax, Anti-Energy Bill](#)

Daren Bakst, The Competitive Enterprise Institute, April 30th, 2024

“The [PROVE IT Act](#) (S. 1863) requires the collection and regular updating of the carbon intensity of domestic and foreign goods. It establishes the administrative framework that is required for the [imposition of](#) carbon taxes: a carbon tax on imported goods and a domestic carbon tax. The bill would lead to both of these taxes, as has been [explained](#) in detail. Many bill supporters readily admit that it will lead to carbon taxes of some kind. Since 2021, about half of the sponsors of the PROVE IT Act [have sponsored bills imposing carbon](#) taxes on imports. Many of these sponsored bills also impose domestic carbon taxes.”

[Statement for the Record: PROVE IT Act](#)

Travis Fisher and Gabriella Beaumont-Smith, The Cato Institute, January 18th, 2024

“We would like to thank the Committee on Environment and Public Works for providing the opportunity to express our views regarding the PROVE IT Act. A study to increase transparency on greenhouse gas emissions intensity for specific products may seem innocuous but it presents problems. In particular, we are writing to discuss the major methodological problems with measuring greenhouse gas emissions intensity, the extension the PROVE IT Act provides for executive overreach, and the costs that would be associated with any subsequent carbon tariff or tax.”

[The Cassidy Carbon Tax Is Even Worse Than Advertised](#)

Travis Fisher and Gabriella Beaumont-Smith, The Cato Institute, November 13th, 2023

“The long-awaited text of Senator Bill Cassidy’s (R-LA) legislation to impose a tax on imports based on “pollution intensity” was [released](#) on November 3. Fisher’s previous piece [highlighted](#) how Senator Cassidy’s concept of a “foreign pollution fee” is 1) a carbon tax on imports, 2) will hurt American consumers, and 3) lays the groundwork for a domestic carbon tax. Unfortunately, those facts remain upon inspection of the bill.”

[A Carbon Tariff Is a Carbon Tax for Protectionists](#)

Travis Fisher, The Cato Institute, October 30th, 2023

“Senator Bill Cassidy (R-LA) wants to slap a tariff on carbon-intensive imports. Last week he [told](#) reporters: “What we’re proposing is not a domestic carbon tax, and it is not intended to lead to a domestic carbon tax.” In an [article](#) published by Foreign Affairs, Senator Cassidy referred to his carbon tariff policy as a “foreign pollution fee.” One may quibble with the labels, but three things are clear: 1) Senator Cassidy’s proposal is a carbon tax on imports, 2) it will hurt American consumers and some manufacturers, and 3) it lays the groundwork for a domestic carbon tax.”

What The News Media Is Saying About The PROVE IT Act

[Oil Lobby Working With Republicans Behind the Scenes to Push ‘Gateway’ to Carbon Tax](#)

Nick Pope, The Daily Caller May 24th, 2024

“Assuming the House version is the same as the already-introduced Senate version, the bill would instruct the Department of Energy (DOE) to study the carbon intensity of goods — including aluminum, steel, plastic and crude oil — produced in the U.S. and the carbon intensity of products from other countries, according to E&E News. Dozens of the PROVE IT Act’s critics have described the bill as a possible “gateway” to domestic carbon taxes because it would effectively instruct the federal government to calculate an implicit cost of carbon with few restrictions on how that official metric is used in the future.”



Oil Lobby Whips GOP Support for House Carbon Bill

Emma Dumain, Kelsey Brugger, E&E News, May 22nd, 2024

“A group of House Republicans might be ready to support forthcoming legislation seen by some as a precursor to an eventual carbon tariff, according to a private email being circulated by the nation’s largest oil lobby. The list of potential backers, obtained by E&E News, shows how the GOP appetite could be growing around legislation that would seek to leverage the perceived carbon advantage the U.S. enjoys for trade purposes. It is also a demonstration of how advocates, including the American Petroleum Institute, are eager to line up Republican support.”