

MEMORANDUM

March 26, 2010

To: Reporters and Editors
From: Scott Mulhauser and Erin Shields for Senate Finance Committee Chairman Max Baucus (D-Mont.)
Re: Baucus Comment Regarding GAO Report on Options for Selling Emissions Allowances

Senate Finance Committee Chairman Max Baucus (D-Mont.) commented today on a Government Accountability Office (GAO) report he requested to review options for selling emissions allowances under initiatives designed to address climate change. The report released today surveys a range of models for auctioning and exchanging CO2 emissions permits, identifies common goals of these models and examines some of the issues lawmakers will address when considering potential climate legislation.

“There is no one-size-fits-all model for legislation to fight climate change, including the way emissions allowances are sold. I look forward to reviewing all of our options carefully to find the most efficient, effective and transparent system,” said Baucus.

The GAO examined several key considerations for lawmakers when developing initiatives to address climate change. To prepare this report, the GAO reviewed relevant literature and interviewed economists, researchers and officials involved in systems designed to address climate change.

Today’s report is the fourth in a series of Baucus-requested GAO studies on initiatives to address climate change. Last year, the Finance Committee held five hearings on climate change, with input from GAO on a range of issues, including revenue distribution and international trade considerations.

The full report, Climate Change: Observations on Options for Selling Emissions Allowances in a Cap-and-Trade Program, is available on the GAO website at <http://www.gao.gov/new.items/d10377.pdf>.

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