

# **Polluters Pay Bills do not carry a consumer pass through cost.**

In order to prepare for the escalating impacts of climate change and protect taxpayers from the unavoidable costs, we must make polluters pay for the damages caused by their products. Holding the largest, most polluting fossil fuel companies accountable for these costs through a one-time fee proportional to their historical emissions will not have a consumer impact.

These costs cannot be passed on to consumers:

- The price of gas is not connected to oil prices. Oil prices are set by a global market.
- This assessment will be a one-time fixed cost that would not raise the price of production. Prices of goods and services are only increased when the ongoing price of production is increased.
- This assessment will only apply to some companies- the largest, most polluting companies. This small subset of companies would not be able to raise their prices because companies choose their prices based on what competitors are charging- not just their own costs. There will still be fossil fuel companies who are not being held liable by the legislation.
- The total assessments to each company will be nominal compared to their overall revenues. The largest, most polluting fossil fuel companies have revenues of millions, billions, and trillions of dollars per year. The assessment will not only be a small portion of their yearly revenue, but will be due over a 10 year period.

The Institute for Policy Integrity's 2022 report, "Enacting the 'Polluter Pays' Principle, explains these key points in great detail. The report can be found at this [link](#). Although the report analyzes the principle from a New York context, the economic principles still apply to other states as long as their legislation is significantly similar to New York's Climate Superfund bill.