



Institute for
Policy Integrity
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STATEMENT ON LAWSUIT AGAINST CALIFORNIA CAP-AND-TRADE PROGRAM

Today, the United States Department of Justice filed a lawsuit against California, arguing that the state's cap-and-trade agreement with the Canadian Province of Quebec is unconstitutional.

Richard Revesz, Lawrence King Professor of Law and Dean Emeritus at NYU School of Law and director of the Institute for Policy Integrity, has released the following statement:

"This lawsuit is premised on several dubious arguments and it looks more like an attempt to punish California than an honest effort to enforce the law.

Taking the central premise of this lawsuit seriously would call into question beneficial practices that have been carried out over decades. States regularly forge ties with foreign counterparts. For example, trade missions, in which Governors and industry leaders travel to foreign jurisdictions to open markets for state programs, are ubiquitous. They've been around for a long time and nobody has thought that they are unconstitutional because they might affect how the federal government conducts its trade negotiations.

California's agreement with Quebec clearly is not a treaty, and the state is not trying to act as an independent nation despite this lawsuit's suspect claims. California has tried to protect the wellbeing of its citizens by setting strong environmental standards. It has every right to do so under the Clean Air Act, which expressly authorizes states to promulgate regulatory measures that are more stringent than the federal measures. By linking its cap-and-trade program with Quebec's, California can lower the cost of greenhouse gas reductions. Why the federal government would prefer to increase the costs of meeting these standards is truly mystifying.

This lawsuit is clearly not about protecting any legitimate interests of the federal government. Instead, it is yet another example of the Trump administration's moves to punish California for taking its environmental responsibilities seriously. It follows on the heels of its antitrust investigation of car companies that are willing to follow California's standards, its enforcement threats concerning alleged California environmental violations, and its related threats to withdraw federal funding from California as a result of these alleged violations. This pattern strongly suggests that the lawsuit is motivated

more by animosity than legal concerns. For being an environmental leader, California has found itself the target of the Trump administration's ire and has been singled out for the illegitimate use of federal power.

Richard Revesz and other members of our staff are available for interviews on this matter.

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