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Cap and trade is the Administration's approach to reduce CO2 from the environment is a new implicit energy tax. This new energy tax will hit Nebraska families and businesses hard. Cap and trade is a system whereby the government creates a "cap" aspect. The government also makes available a certain number of "offset credits" each year which may be earned, bought or sold. This is the "trade" aspect. Over time, the government ratchets down the number of available offset credits, essentially creating a shortage of credits and driving prices of carbon up.

Analysis by the House Ways & Means Republican staff indicates this new tax will cost each Nebraskan an extra $1,052 per year in higher energy costs. The GOP Conference estimates the cost will be more than $3,000 per person. The Environmental Protection Agency estimates electricity costs will go up as much as 79%. The National Association of Manufacturers says the increase could be as high as 129%.

Job loss is also a serious concern with President Obama's cap and trade plan. The National Association of Manufacturers predicts 3-4 million people will lose their jobs. The Heritage Foundation estimates job loss could be over 5 million. This will be devastating to our brittle economy.

We can't afford this new national energy tax. I am working with a bipartisan group to draft alternative legislation that will greatly reduce CO2 emissions without imposing a new, devastating tax.