State Representative Antonio F. D. Cabral, Chair House Committee on Bonding, Capital Expenditures and State Assets State House Boston, MA 02133

RE: Support - H.3941, An Act relative to GreenWorks

Dear Chair Cabral and Honorable Members of the House Committee on Bonding, Capital Expenditures and State Assets,

We are writing to express our strong support for H.3941, *An Act relative to GreenWorks* (hereafter, GreenWorks), offer suggested amendments, and respectfully request a favorable report by the Committee. We greatly appreciate the leadership on climate change policy and funding in this bill proposed by House Speaker Robert A. DeLeo and the chairs of the Joint Committee on Telecommunications, Utilities and Energy.

Our organizations are members of the Massachusetts Climate Change Adaptation Coalition, which includes over 50 organizations representing businesses, engineers, architects, planners and conservationists. Since the establishment of the Coalition in 2013, there has been a terrific partnership between the Legislature, the MA Executive Office of Energy and Environmental Affairs (EEA) and the Coalition on climate adaptation and resiliency policy and funding.

We also appreciate the leadership of the House Committee on Bonding, Capital Expenditures and State Assets in helping improve and enact Chapter 209 of the Acts of 2018, An Act promoting Climate Change Adaptation, Environmental and Natural Resource Protection, and Investments in natural Resource Assets and Opportunity. Green Works is a tremendous opportunity to build upon the work of state leaders and advance significant climate adaptation policy and funding.

We respectfully urge the Committee to consider the following principles developed by the Coalition when making decisions regarding GreenWorks

- Use the best available science: Address known risks and vulnerabilities grounded in the best available science and technology; Provide accountability using metrics, outcomes and guidance on most impactful actions; Prioritize nature-based solutions, particularly in communities of first need and vulnerable populations
- Ensure alignment between mitigation and adaption to best complement each other: Optimize renewable energy generation while minimizing impacts; Provide co-benefits, such as restoring and conserving natural resources (key habitats, public access and ecosystem services, workforce development) that reduce risks and naturally remove carbon from the air; Align state policies with recommendations of State Hazard Mitigation and Climate Adaptation Plan
- **Promote equity and public health, safety, security, and well-being:** Reach out, build dialog and incorporate input to ensure funding meets the needs of Environmental Justice

- and vulnerable communities; Provide green jobs and local economic development, including workforce development and certification, living wages and fair working standards
- Increase funding from a range of sources and increase capacity: Increase the amount of long-term and sustainable funding for all climate change goals; Provide capital and operating funding for programs and staff resources; Build upon current programs and successes; Ensure diversity of state agencies and municipalities funding sources and responsibilities

We respectfully urge the Committee to consider the following when it prepares a redraft of GreenWorks.

We reiterate our support and appreciation for changes made by the Joint Committee on Telecommunications, Utilities and Energy and respectfully request the Bonding Committee retain the following:

- **Sustainability Coordinators:** Addition of an EEA certification process for sustainability coordinators that trains and educates municipal staff with the expertise and experience needed for the technologies and methodologies employed under Greenworks programs
- Greenworks Resiliency Fund: Addition of nature-based solutions (alone or in combination with hard structures) to the eligibility and selection criteria for municipal loans
- **Greenworks Infrastructure Funding:** Addition of EEA authority to award additional funds to environmental justice and vulnerable communities

We respectfully offer the following suggested amendments related to bonding, capital expenditures and state assets in the order in which they would appear in the GreenWorks bill.

Sustainability Coordinators (9300-8002)

- Flexibility on sustainability coordinators/ability to work across programs

 Sustainability coordinators are a welcome addition, and we respectfully request that the

 Committee consider amending the language to enable the coordinators to help and coordinate
 municipal work under both GreenWorks and other EEA climate-related programs, such as

 Municipal Vulnerability Preparedness (MVP) and Green Communities. These programs are all
 closely intertwined, and the sustainability coordinator should ideally be able to work across each
 of them to maximize efficiency and complementary results. And prioritization should be given to
 municipalities that band together to jointly host sustainability coordinators that can work across
 many smaller municipalities a common practice.
- Eligible funding for communities that already have sustainability coordinators
 While we understand the rationale behind giving preference for funding to communities that do not already have an equivalent position, some of the communities that currently have a sustainability coordinator may still need this funding.

• Increase funding thresholds

For many municipalities, especially smaller ones, a dedicated staff person to work on these issues is critical, but may be hard to prioritize. We urge you to consider extending the allowable term of contracts for which funding can be used to ensure that municipalities are able to sustain this staff position long-term. The bill currently allows for a funded contract term of two years for all municipalities and three years for municipalities that contain an environmental justice community. We recommend increasing these thresholds to three years for all municipalities and five years for communities with an environmental justice community that meets all three of the state's criteria (i.e. minority, low-income, and English isolation) or smaller municipalities with fewer resources. This will help ensure that resources are prioritized for the communities with the greatest need.

GreenWorks Infrastructure Program

Integrate and Mainstream Greenworks and MassWorks

The Coalition has long supported tying climate resilience criteria to public infrastructure improvements, so we are very supportive of this aspect of the GreenWorks infrastructure program. However, it is unclear how this new program will interface with the existing MassWorks grant program. Specifically, M.G.L. section 63 states that the MassWorks grant program issues, "public infrastructure grants to municipalities and other public instrumentalities for design, construction, building, land acquisition, rehabilitation, repair and other improvements to publicly-owned infrastructure." H.3941, section 28 (a)(i) includes this exact same language with an additional requirement that the improvements must also serve climate adaptation or mitigation purposes. All public infrastructure improvements should serve a climate adaptation or mitigation purpose. A more cohesive approach may be to amend the existing MassWorks program to include this as an eligibility criterion. At the very least, these two programs will need to be reconciled if they are providing financing for the same general purpose. For example, all state infrastructure programs, such as MassWorks, should share in the costs of adaptation and collaborate with EEA, rather than relying solely on adaptation funding from EEA, which could impact spending on other environmental priorities.

• All financing consistent with State Plan

We appreciate that the GreenWorks infrastructure program calls out the need to undertake projects pursuant to the statewide adaptation strategy, which was memorialized in the Massachusetts State Hazard Mitigation and Climate Adaptation Plan (SHMCAP) issued in September 2018 by EEA and the Executive Office of Public Safety and Security. However, all state financing made available to municipalities for climate adaptation purposes should be consistent with the statewide strategy – not just a subcategory of projects. We encourage you to remove this project subtype and replace it with an overarching criterion that all financing under this bill shall be spent in a manner consistent with the SHMCAP.

• Develop prioritization

The SHMCAP and the Municipal Vulnerability Preparedness Program (MVP) provide the means to prioritize climate change adaptation based on state-level science and planning, in concert with a local stakeholder process to identify strengths and vulnerabilities. We believe the Infrastructure Fund can provide prioritize the following, including:

- Vulnerable communities: We suggest that prioritization for funding under this
 program should be provided to first need front-line, overburdened and underserved
 communities.
- O Nature-Based Solutions: As defined by the enactment of Chapter 209 of the Acts of 2018 and codified into the Global Warming Solutions Act, "Nature-based solutions [are] strategies that conserve, create, restore and employ natural resources to enhance climate adaptation, resilience and mitigation to mimic natural processes or work in tandem with man-made engineering approaches to address natural hazards like flooding, erosion, drought and heat islands and to maintain healthy natural cycles to sequester and maintain carbon and other greenhouse gases." Nature-based solutions enhance safety, avoid community costs, foster equity for vulnerable populations, and provide jobs and co-benefits from natural resources (clean air and water, recreation wildlife habitat and more). Nature-based solutions also naturally remove carbon pollution from the air. We suggest that projects that employ nature-based solutions are prioritized in this program. Examples of nature-based solutions include:
 - Restoring wetlands and floodplains to reduce flooding
 - Restoring coastal marshes to improve resilience to storm surge and sea level rise
 - Nourishing beaches and dunes to reduce erosion
 - Creating bioswales, rain gardens and planting trees to reduce heat island effects and stormwater impacts in urban areas
- Vulnerable assets: We suggest directing investment toward prioritizing, planning, and retrofitting vulnerable assets that protect public and private investments, such as helping to fund the installation of generators for critical facilities, moving low-lying sewage treatment facilities to higher ground, or the construction of overnight shelters or cooling and warming centers. This is also an opportunity to align on-going efforts of the MVP program to address mitigation measures for buildings constructed in flood zones, or moving of critical mechanical, engineering and plumbing systems from the ground floor to the roof.
- O **Joint applications for funding:** We support prioritizing regional approaches, particularly projects that take an ecosystem, such as a watershed-scale, approach to addressing climate change impacts. A watershed-scale approach to planning allows for the integrated management of human activities and natural resources, while incorporating the protection of important water resources. As all water resources are connected and often cross-town boundaries, multi-town planning that fosters collaboration and involvement of a wide variety of managerial and community interests is essential to ensuring that communities are taking advantage of resources effectively and efficiently.
- o **Enhance collaboration:** We support allowing regional planning agencies, community development corporations, and conservation organizations, such as land trusts and watershed associations, to apply as project coordinators for joint municipal efforts, as they have expertise working on projects at this scale.
- Leverage resources: We support incentivizing municipalities to secure supplemental/matching funds from other state, federal, and private sources to supplement GreenWorks funding and stretch the impact of each dollar allocated.

- o **Expand eligible infrastructure projects:** We suggest that eligible projects be expanded to also include those located on nonprofit and private lands (with appropriate protective covenants in place and with local approval). Nature does not conform to property boundaries; therefore, funds must be flexible enough to be used where they will have the greatest resiliency benefits. For example, a beach nourishment or marsh restoration that stops abruptly at the property line of town-owned land need flexibility to conform with nature instead of municipal boundaries to achieve its resilience purpose. Such language was included in the 2018 Climate and Environment Bond (Chapter 209 of the Acts of 2018) for coastal resiliency projects in line item 2000-7073.
- o **Neighborhood Scale Approaches** often work best in urban areas where a community identity provides a rallying point for collaboration and good outcomes.

Finally, we respectfully offer the following **additions** to the GreenWorks bill.

New: Fund stormwater/wastewater/water projects

We respectfully request that the Committee consider adding eligibility for water infrastructure-related projects. Needs relative to water infrastructure resilience and energy impact virtually every city and town. GreenWorks has the potential to help municipalities prepare for storms, like recent hurricanes, that had significant water infrastructure impacts. Investments in water infrastructure projects can also benefit municipal finances because water infrastructure/treatment can account for up to 40% of average municipal energy budgets. We encourage the Committee to consult with engineers on defining the scope of projects eligible for the program. Here are some examples of projects that might be funded by Greenworks:

- Resiliency projects for pumping stations and well sites, which tend to be in low, flood prone areas.
- Pump and drive replacement. There are still a lot of old pumps and drives in water and wastewater systems that could be replaced with new, more energy efficient pumps and drives. This is not "high tech," but it makes a difference in terms of power consumption.
- Projects that protect pipe and facilities against climate change impacts.
- Stormwater management projects, especially for small, mid-sized communities.
- Combined Sewer Overflow (CSO) projects are a high priority in 19 municipalities but are costly. Funding could be carefully crafted to:
 - o Install and maintain the necessary monitoring systems that allow CSOs to be detected so that timely notice can be issued to warn river users.
 - o Provide further controls, sewer separation, treatment and other approaches to reduce CSO occurrence and volume.

New: Municipal Resiliency and Mitigation Funds

We respectfully request that the Committee consider providing incentives and a menu of choices for communities to opt into that allow them to assess fees for resiliency and mitigation. Such programs could include:

- **Green Resiliency Fund** that would allow communities to assess local fees, much like a business improvement district
- **Mitigation Funds** that would offset the impacts of development on natural resources related to climate change

- Carbon-banking fund to be used exclusively for measures to remedy and offset the
 generation of greenhouse gases caused by activities that convert forest, wetlands, and
 agricultural lands for development at a size and scale determined by the secretary. This
 could include tree-planting and retention, restoring the function to wetlands and
 sustainably managing forests.
- Water-Banking that requires large-scale developments to offset water withdrawals by depositing funds into a dedicated municipal fund used to replace water (such as pervious paving, fixing leaky pipes and more) (see H.687, from previous sessions)
- **Storm-Water Utility** that allows a community to charge a fee based on the amount of impervious cover (roads, driveways, sidewalks and roofs) that prevent water from inflow and infiltrating the ground and cause flooding and pollution

New: Workforce development

We respectfully request that the Committee consider adding capital funding for workforce development to the GreenWorks infrastructure program or as a stand-alone new program. Workforce development would provide a smooth path for community professionals charged with implementing GreenWorks programs. Traditional municipal infrastructure managers – energy, water supply, public works and parks – are often not well-trained or educated in the operation and maintenance of newly developed equipment and techniques designed to save energy, water, and scarce municipal funds.

There is a huge opportunity to create new jobs and well as to cultivate new infrastructure professionals, especially from underserved communities. Many certification programs help get workers trained and up to speed to help communities meet their fiscal, energy and natural resources conservation goals. For example:

- **Energy jobs**: Building Operator Certification can help current professionals and newly trained workers to operate and maintain specialized energy systems (high efficiency boilers and air conditioners) and conservation and efficiency infrastructure.
- Green infrastructure jobs: National Green Infrastructure Certification can help traditional public works and water works employees and newly trained workers to manage, operate and maintain green infrastructure (or nature-based solutions), such as rain gardens, bioswales and stormwater wetlands, as well as the technical skills necessary to enter the green workforce and earn a livable wage.
- Water jobs: Municipal drinking water and wastewater systems can often cost a municipality up to 40 percent of its energy costs. Properly trained workers can better operate equipment and systems to help reduce energy usage.

New: Commission and EEA advisory group

We respectfully request that the Committee consider adding:

- 1) The establishment of a Commission, with suggested amendments provided by business and environmental leaders to the Joint Committee on Environment, Natural resources and Agriculture, as envisioned S433, An Act establishing the commission for a climate-ready commonwealth and H.825, An Act establishing the commission for a climate-ready commonwealth.
- 2) The establishment of an EEA Climate Adaptation and Resiliency Advisory Group/Task Force that would provide EEA with advice on funding, implementation, and prioritization of climate adaptation and resiliency. This group should represent infrastructure, building, public health, economic, municipal, natural resources and agriculture, social justice and environment sectors. The stakeholders would also help EEA with metrics and measures, adaptive management, and accountability.

New: Natural Climate Solutions

We respectfully request that the Committee consider adding an outside section related to carbon storage and sequestration. As the impacts of climate change continue to intensify, safeguarding and enhancing the carbon stored in natural and working lands is essential to meet the Commonwealth's greenhouse gas reductions goals under the Global Warming Solutions Act (GWSA). Natural and working lands are the only tool we have today that works at scale to draw carbon out of the atmosphere and store it. Land based resources turn our carbon pollution into in wood, soils, peat and other forms that have use and value. Capital funds play a key role in laying the groundwork to set a goal, conduct research, prepare a plan and establish a municipal technical assistance program. We respectfully urge the Committee to add the H.842, *An Act to Sustain Natural and Working Lands Carbon in Communities*, as heard on May 14 by the Environment Committee, S.2104 is a mirror image of this bill and is currently before the TUE Committee. This bill would authorize EEA to do the following:

- Accurately measure the carbon stored by and released from the land statewide
- Set a numeric goal for how to reduce carbon emissions from lands (e.g. loss of forests and wetlands) and how to increase the size of the carbon sink on our lands (e.g., improve the management of farm soils and forest lands);
- Create a plan for how to reach that natural carbon goal; and
- Develop the policy and funding changes to realize the goal, including creating a Communities for a Sustainable Climate municipal technical assistance program.

Integrate new sources of revenue such as RE transfer fee in S.10

As the GreenWorks bill moves forward in the legislative process, we respectfully encourage the Legislature and Governor Baker to enhance existing funding and to develop a robust mix of funding from both capital and operating budgets, new revenues at different scales of government, and private capital. While we greatly appreciate funding and support for climate adaptation and resiliency through GreenWorks and the 2018 Climate Bond (Chapter 209 of the Acts of 2018), the magnitude of these issues will require significant resources beyond those proposed in this bill. We are also concerned that if the capital funding from EEA is the sole source of funding for climate adaptation across state government, then it will come at the expense of other important environmental priorities. Climate change impacts are not just environmental, they are felt across all sectors of society – economy, health, societal and infrastructure – every sector needs skin in the game.

- We urge the Committee to ensure a diversity of state agencies and municipalities funding sources and responsibilities. For example, all state infrastructure programs, such as MassWorks should share in the costs of adaptation and collaborate with EEA, rather than relying solely on adaptation funding from EEA.
- We support S.10, An Act providing for climate change adaptation infrastructure investments in the Commonwealth. We believe GreenWorks and S.10 are complementary and that we need an "all-hands on-deck" approach to funding and policy.
- We have expertise in public and private funding for climate adaptation and resiliency that
 we can draw from our experience and would be happy to provide resources to the
 Legislature.

For the Commonwealth to make progress on adapting to and mitigating the effects of climate change it needs substantial funding. H.3914 is responsive to this urgent need and is a critical next step. For these reasons, we respectfully urge the Committee report the bill out favorably with our suggested amendments and additions.

Thank you for your time and consideration. Please feel free to ask any questions.

Sincerely,

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