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Legislative District 30
Anne Arundel County

Budget and Taxation Committee

Subcommittees

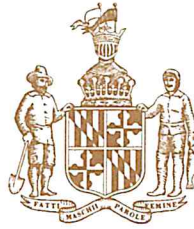
Education, Business and Administration

Chair, Pensions

Senate Chair

Joint Committee on Administrative,
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Joint Committee on the Chesapeake and
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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 19, 2020

Testimony in Favor of SB457
Local Government - Resilience Authorities - Authorization

Chairman Pinsky, Vice-Chair Kagan, and members of the Education, Health, and Environmental Affairs Committee,

I respectfully request a favorable report of Senate Bill 457. This bill would enable counties and municipalities to create “resilience authorities” for the purpose of issuing bonds to help fund critical resilience-related infrastructure projects.

From Annapolis to Ellicott City, from Easton to Baltimore, Maryland is threatened by the rapid impacts of climate change and sea level rise. Protecting our communities, small businesses, and historic structures is paramount. County and municipal governments are most responsible for building the vast majority of resilience-related infrastructure - yet the cost of these projects are often too great to build as quickly as our communities need. We must act now and empower local governments with the tools they need to protect our communities.

This General Assembly has made tremendous strides to combat the long-term effects of climate change, but we must act now to preserve our communities with the necessary resilience infrastructure before it's too late. Annapolis faces increasing sunny-day flooding at the City Dock, Ellicott City saw two devastating flood events caused by 1000-year-storms, and Baltimore experiences ever-increasing temperatures from City streets and buildings. Attached to this testimony are other examples of infrastructure challenges related to climate change from the Organisation for Economic Co-operation and Development.

While the impacts of climate change have worsened over the last decade, our counties and municipalities have been on the front lines of planning to mitigate these effects. Resiliency means different things for different communities, and SB 457 provides enough flexibility for communities to build what is best for the unique challenges they face. In my District here in Annapolis, this critical resilience infrastructure is outlined in our City Dock Action Plan which includes raising the City Dock and building flood barriers and more effective stormwater systems.

With much of the financial burden to build this infrastructure resting on our localities, this bill would enable counties and municipalities to create “resilience authorities” to issue bonds to serve as the vehicle to fund critical projects. SB 457 allows our localities to address their specific needs related to climate

change, meaning an Anne Arundel County/Annapolis Authority can focus on flooding and coastal infrastructure while a Howard County Authority can focus on proper flood and storm-water management strategies.

SB 457 accomplishes three things: first, it lays out the structure in which a county's and/or a municipality's local governing body may create a "Resilience Authority." Second, the bill allows localities to direct General Fund revenue directly to a "Resilience Authority" regardless of if there is a charter provision prohibiting such fund dedication. Finally, this bill provides for accountability and transparency by requiring Authorities to report annually to the budget and environmental committees and makes clear that Authorities cannot acquire land by eminent domain and do not have the authority to establish taxes. To be clear: nothing in this bill grants an Authority the ability to levy a tax - and no Authority has the ability to charge fees unless directly authorized by the local governing body under which the Authority is created.

After working with various stakeholders, will be offering an amendment that:

- Removes the 30,000 population limit for cities to create a "Resilience Authority."
- Clarifies the bonds issued by an Authority are not specifically "revenue" bonds.
- Clarifies the process under which a joint authority would be created.
- Replaces "legislative body of a local government" with "local governing authority" wherever applicable in the bill.
- Clarifies where debt is transferred upon the termination of an Authority.

This bill ensures Maryland remains a national leader in preparing ourselves for the impending crisis presented by climate change and sea level rise. I once again respectfully request a favorable report so we can give our localities the tools they need to address this issue.

Sincerely,

A handwritten signature in blue ink that reads "Sarah Elfret". The signature is fluid and cursive, with the first name "Sarah" being larger and more prominent than the last name "Elfret".

Sarah Elfret

prohibitively expensive to prepare for all of these outcomes at the outset. Instead, adaptive management (or iterative risk management) approaches can be used to design in flexibility from the outset, monitor

and adjust to changing circumstances over the asset's lifetime. More information on tools for decision-making under uncertainty can be found in section 3.

Table 2 Illustrative impacts of climate changes in different sectors

	Temperature changes	Sea-level rise	Changing patterns of precipitation	Changing patterns of storms
Transport	<ul style="list-style-type: none"> – Melting road surfaces and buckling railway lines – Damage to roads due to melting of seasonal ground frost or permafrost – Changing demand for ports as sea routes open due to melting of arctic ice 	<ul style="list-style-type: none"> – Inundation of coastal infrastructure, such as ports, roads or railways 	<ul style="list-style-type: none"> – Disruption of transport due to flooding – Changing water levels disrupt transport on inland waterways 	<ul style="list-style-type: none"> – Damage to assets, such as bridges – Disruption to ports and airports
Energy	<ul style="list-style-type: none"> – Reduced efficiency of solar panels – Reduced output from thermal plants due to limits on cooling water temperatures – Increased demand for cooling 	<ul style="list-style-type: none"> – Inundation of coastal infrastructure, such as generation, transmission and distribution 	<ul style="list-style-type: none"> – Reduced output from hydropower generation – Disruption of energy supply due to flooding – Insufficient cooling water 	<ul style="list-style-type: none"> – Damage to assets - e.g. wind farms, distribution networks – Economic losses due to power outages
Telecoms	<ul style="list-style-type: none"> – Increased cooling required for datacenters 	<ul style="list-style-type: none"> – Inundation of coastal infrastructure, such as telephone exchanges 	<ul style="list-style-type: none"> – Flooding of infrastructure – Damage to infrastructure from subsidence 	<ul style="list-style-type: none"> – Damage to above ground transmission infrastructure, such as radio masts
Urban development	<ul style="list-style-type: none"> – Increased cooling demand – Reduced heating demand 	<ul style="list-style-type: none"> – Inundation and increased flood risk – Changes in land use due to relocation of people living in exposed areas 	<ul style="list-style-type: none"> – Risk of drought – Flooding 	<ul style="list-style-type: none"> – Damage to buildings – Deaths and injuries
Water	<ul style="list-style-type: none"> – Increased need for treatment – Increased evaporation from reservoirs 	<ul style="list-style-type: none"> – Inundation of coastal infrastructure – Salinisation of water supplies – Decreased standard of protection offered by coastal defences 	<ul style="list-style-type: none"> – Increased need for water storage capacity – Increased risk of river embankments being overtopped 	<ul style="list-style-type: none"> – Damage to assets – Decreased standard of protection offered by flood defences

Note: This table provides an illustration of the impacts that could occur in some sectors and in some regions. The impacts faced by a given infrastructure asset will depend on a range of factors, including location: for example, storms are projected to increase in some regions and decrease in others. A more comprehensive analysis can be found in the IPCC's Fifth Assessment Report.