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HB 1033 Environment and Energy – Investment in Overburdened Communities

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Position: Support

Clean Air Task Force (CATF) supports HB 1033, which is focused on addressing issues of environmental justice through community investment.

CATF's vision is to meet the world's rising energy demand in a way that is financially, socially, and environmentally sustainable. To attain this objective, CATF supports a just and equitable transition to the net-zero greenhouse gas economy envisioned in HB 708. CATF recognizes that without intentional actions to prioritize equity within climate and clean energy policies, the energy transition risks reinforcing existing inequalities and imposing significant costs on disadvantaged and low-income communities who already experience disproportionate burdens from environmental hazards and climate change impacts. CATF believes HB 1033 will contribute significantly to supporting a just transition to the net-zero greenhouse gas economy for Maryland communities proposed in HB 708.

California and New York have both made legally binding commitments in climate and clean energy programs to direct a specific percentage of investments towards disadvantaged and low-income, overburdened communities. In addition, states such as Illinois, Virginia, and Washington, have adopted initiatives aimed at ensuring disadvantaged and overburdened communities benefit from investments in areas including energy efficiency, weatherization, clean technology, climate adaptation and resilience, and climate and clean energy workforce development.

The goal to direct 40% of the benefits of climate and clean energy investments towards disadvantaged communities was first adopted by the state of New York and was adopted in Executive Order 14008 through the establishment of the Justice40 Initiative for federal programs and investments. Leading environmental justice scholars and advocates, including members of the White House Environmental Justice Advisory Council, have affirmed and supported the 40% goal as a minimum to achieve an equitable transition for disadvantaged communities. HB 1033 would place Maryland firmly within the ranks of these climate and environmental justice leaders.

State policies to incentivize equitable distribution of climate and clean energy spending create opportunities for economic development and high-quality job creation in communities that have faced historic disinvestment. These policies support the growth and development of crucial local and regional green infrastructure and energy industries. HB 1033 would ensure that low- and middle-income communities can benefit from the economic opportunities afforded by clean technologies while also making Maryland households healthier and safer.

CATF supports the characterization of an "overburdened community" as defined in HB 1033, including the income criterion and all fifteen environmental indicators. This definition captures the geographic diversity of the state by including environmental burdens experienced by both rural and urban communities, which will help ensure that

spending on climate programs, projects, and investments reaches the communities that need it most.

Along with our support, we are proposing two additions for your consideration:

1. Including energy burden¹ and housing cost burden² as qualifying indicators for an “overburdened community”. If data on these indicators are not immediately available, we recommend the Maryland Department of the Environment consider adding these indicators when conducting its review of the criteria and methods used to identify overburdened communities, which will be completed on or before October 1, 2024; and
2. Adding environmental and health monitoring and enforcement of environmental regulations on the list of programs, projects, and investments for which at least 40% of overall spending must benefit overburdened communities.

We urge the Committee to issue a favorable report on HB 1033.

Please reach out to Angela Seligman (email: aseligman@catf.us, cell: 314.922.5293) with any questions.

CATF is a global nonprofit organization working to safeguard against the worst impacts of climate change by catalyzing the rapid development and deployment of low-carbon energy and other climate-protecting technologies. With 25 years of internationally recognized expertise on climate policy and a fierce commitment to exploring all potential solutions, CATF is a pragmatic, non-ideological advocacy group with the bold ideas needed to address climate change. CATF has offices in Boston, Washington D.C., and Brussels, with staff working virtually around the world.

¹ Energy burden is defined as “the percentage of household income spent on energy costs.” See: U.S. Department of Energy [Low-Income Community Energy Solutions | Department of Energy](#)

² Housing cost burden is defined as “the percentage of households that are both low income and are spending more than 30% of their income on housing costs.” See California Office of Environmental Health Hazard Assessment’s [Housing Burden Indicator in CalEnviroScreen](#) and the U.S. Department of Housing and Urban Development’s [Comprehensive Housing Affordability Strategy data](#).