



CHESAPEAKE BAY FOUNDATION

*Environmental Protection and Restoration
Environmental Education*

House Bill 1526

Transportation Carbon Reduction Fund-Establishment
(Transportation Carbon Fund Act)

DATE: MARCH 5, 2020

POSITION: SUPPORT

The Chesapeake Bay Foundation (CBF) supports HB1526. This bill would establish the Transportation Carbon Reduction Fund, establish the Transportation and Climate Initiative Workgroup and develop recommendations relating to the Transportation Carbon Reduction Fund.

As Maryland and twelve other states in the region collaborate on policies and strategies to reduce pollution and improve transportation through the Transportation and Climate Initiative (TCI), the purpose of this bill would establish the fund and a workgroup to support the financing of projects and programs related to TCI.

All revenues received from the State from the participation in the Transportation and Climate Initiative should only finance projects related to creating a clean energy economy, reducing carbon emissions from the transportation sector and conducting thoughtful, inclusive and equitable community engagement.

The development of the Transportation Climate Initiative Workgroup would support the process to address climate change impacts, reduce disparities in underrepresented communities related to mobility needs and foster a healthier State by reducing pollution.

Transportation-related pollution causes hazardous emissions. These emissions contribute to climate changes that have an adverse impact on the Chesapeake Bay.

CBF supports this legislation because it allows the State to participate in a model to reduce carbon emissions from transportation and increase transparency through equitable public engagement.

For these reasons, the Chesapeake Bay Foundation recommends a favorable report on HB 1526 from the Environment and Transportation and Appropriations Committees. For more information please contact Carmera Thomas, Baltimore Program Manager, at 443.482.2011 or carmerathomas@cbf.org.

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The Chesapeake Bay Foundation (CBF) is a non-profit environmental education and advocacy organization dedicated to the restoration and protection of the Chesapeake Bay. With over 300,000 members and e-subscribers, including over 107,000 in Maryland alone, CBF works to educate the public and to protect the interest of the Chesapeake and its resources.

Key Principles to Incorporate in the Design of the Transportation & Climate Initiative

To:

Governor Larry Hogan
Maryland Department of Transportation
Maryland Department of Environment
Maryland Commission on Climate Change

As you work with other states in the Transportation & Climate Initiative (TCI) to design a policy framework by December 2019 that would cut pollution from transportation fuels and generate funds for reinvestment, we urge you to incorporate the principles outlined in this letter to guide the process and outcomes of this critical undertaking.

We firmly believe that embracing the principles below and conducting thoughtful, inclusive, and meaningful community engagement is a necessary step in the process to create an equitable and just policy that rises to the level of action needed to meet the urgency of the climate crisis, addresses major shortfalls in funding needed to meet our mobility needs, reduces disparate impacts on overburdened and underserved communities, protects workers, and fosters healthier and more vibrant communities across Maryland.

1. Public Engagement

We, the undersigned organizations, respectfully request that the Maryland Department of the Environment (MDE) and the Maryland Department of Transportation (MDOT) design and foster a public engagement process to provide residents opportunities to participate in a meaningful way in the policy design and implementation of the Transportation and Climate Initiative (TCI). We believe robust public participation is essential to increase transparency and accountability throughout the TCI process, and stand in service to help develop this public engagement process. We request that MDOT and MDE hosts at least six community engagement sessions by December in Maryland's 5 regions (Baltimore Metro region, Washington Metro region, Southern Maryland, Eastern Shore, and Western Maryland) to gain input from people on the design of the program.

In Maryland, many communities have not had an opportunity to participate in any of the previous public engagement opportunities due to barriers including the lack of resources and the place and time of the convenings.

As part of this public engagement process, MDE and MDOT should:

- Identify communities that are a) overexposed to pollution from the transportation sector, b) lack clean, affordable and reliable transportation options, and c) transit dependent communities.
- Provide opportunities, for these and other communities, to directly engage MDE and MDOT to learn about TCI, its policy design process, benefits, timeline and progress, and provide feed-back on key elements of TCI regularly throughout the program design, launch, and implementation. This includes providing and promoting informational materials to educate communities about TCI.

During the engagement sessions, MDE and MDOT should meet directly with residents to provide information and take public comments. This input should be recorded and posted publicly as well as input that can be offered online. MDE and MDOT should continue to update communities about how their input is being used and the status of the program to enhance accountability throughout the process.

For these interactions to be authentic, they need to be provided at a time and a place that enables community participation. Additionally, these meetings should be culturally competent to accommodate the diversity of our communities and provide opportunities for community members to offer meaningful input to design the policies and refine the process. Like in [Massachusetts](#), the vast majority of these sessions should be held during the evening or on the weekend, accessible by public transit, accessible to people with disabilities and those with limited English proficiency, offer language services, child care, and have a live stream available.

This sharing of information and feed-back, at an early stage, will enhance trust and reduce potential conflicts further along the design and implementation process.

2. Equity

Our current transportation system is deeply inequitable. Its emissions significantly contribute to climate disruption and respiratory and other health ailments that disproportionately affect low-income households and communities of color. And, lack of affordable and easily available public transportation options have exacerbated income inequality by making it more difficult for low-income communities and communities of color to access family sustaining jobs and just housing.

TCI should aim to spur economic development, economic growth, good housing, and jobs in communities that historically have been economically under-resourced and overburdened by pollution. This requires substantial new investment in mass transit, pedestrian and bicycle infrastructure, and relevant environmentally friendly modes of transportation, affordable housing, and public health programs.

When contemplating matters of equity, the TCI collaboration project should acknowledge and address the concerns communicated by the environmental justice (EJ) movement. As with the implementation of other public policy initiatives, equitable distribution of TCI's benefits and burdens is fundamental to the project's success. Most important in this regard is the identification of equity challenges and their targeted resolution.

Transportation-related pollution is associated with a triple-threat in many communities, particularly those that are under-represented, under-resourced, and under-researched. Public health hazards caused by harmful emissions, the lack of transit equity, and the climate crisis constitute a pernicious troika of adversity in too many communities. The pursuit of health equity within the TCI program should be fluid and situational and may vary in its requisite mechanics according to well-examined conditions at ground level. For example, some studies indicate that one in five asthma cases is the consequence of transportation-generated pollutants. However, resources and programs for treatment of asthma from diagnosis to hospitalization for severe bronchial sensitivity are not uniform throughout the TCI regional partnership. To the extent practicable, TCI should aim to both mitigate these harms in overburdened communities and also provide residents with access to health resources.

Definitions of transit equity are also fluid and situational. Rather than promoting the conventional “access to transit services” formulation, TCI should include “access to chosen destinations via public transit” in its equity lens. Proximity to bus stops or transit hubs does not guarantee proximity to job centers for the transit dependent.

We also recommend that the TCI collaboration conduct transit equity analyses in each of its member jurisdictions. Community-friendly formats for public information and leadership training modules in transit equity would serve to bring more transit rider representatives to the policy-making councils of local and regional transportation systems. The methodologies and results of such analyses should be made available to the general public and should be reviewed by environmental and social-science researchers. The studies should clearly define historically “overly-burdened and underserved” communities.

3. Investment decisions

TCI investments should reduce disparities and make cleaner forms of transportation more accessible and convenient. Investments provide a vehicle for reducing harmful transportation emissions (both CO₂ and other pollutants) and addressing social and economic inequities of both overburdened and underserved communities. To this end, we urge adherence to the following principles of equity for making investment decisions. These principles are intended to be guidelines for refinement by affected communities through a public engagement process as described in this document:

1. The State should determine which communities meet the definition of “overburdened” and “underserved” through a transparent process that includes the input of State residents. The definitions should identify communities that are not entire counties, but rather roughly the size of neighborhoods. There should be regular program reviews after investments are made, including air quality monitoring and public health assessments related to transportation emissions. Census tract data might be a useful resource.
2. Investment should tilt substantially in favor of overburdened and underserved communities and workers who may bear additional costs from the transition to clean transportation. The state should also prioritize the needs of Maryland’s *most* vulnerable population—its children. These stakeholders’ views should be given high priority in deciding how money is invested in their communities and sectors.
3. Investments should provide people with equitable and reliable access to housing, jobs, education and healthcare by improving and expanding public transit, walking and biking infrastructure, and providing other resources. Overburdened and underserved communities should be prioritized for these investments as well as investments that help electrify school bus and transit bus fleets.
4. Investments that generate the co-benefits of reducing greenhouse gas emissions, air, and noise pollution as well as reducing household costs in overburdened and underserved communities should be favored. These communities should be prioritized for investments in programs that subsidize transit and bus-rail transfers and make electric vehicles a real, accessible, and affordable option to meet people’s mobility needs.

5. Investment decisions must consider the relationship between land use and transportation, with a goal of creating walkable, bikeable, transit-oriented communities and reducing vehicle miles traveled. Investments should promote affordable and just housing and housing for workers located near transit, jobs, and amenities that does not displace current residents.
6. Revenues generated from the program should be directed to a dedicated fund (in a “lockbox”). The funds should be designated for new investments that achieve the program goals and not replace existing maintenance costs or used to fill budget gaps. In no circumstance, should funds be used to expand or build new highways. Maryland should not pursue initiatives and programs contrary to TCI goals, including the misguided plans to expand I-495, I-270, and the BW parkway.
7. Revenue generated should serve the greater public good. Investments in public transportation should not be used to privatize services currently performed by public employees. To the extent allowable by law, procurement and investment decisions should be transparent and reviewable by the public.
8. Investment and procurement decisions should maximize benefits to Maryland residents. Specifically, investment decisions should include policies to create jobs that protect wages and benefits, contain worker protections, encourage project labor agreements, expand Buy America and Buy Maryland provisions and protect and strengthen worker safety and equitable hiring practice rules. Seasonal, temporary, and part-time work should be minimized.
9. Investments should include a common understanding of the definition of a “quality” job. We define that term to mean jobs which provide: (1) family-sustaining wages and benefits; (2) employer neutrality in union organizing campaigns; (3) training and advancement opportunities; and (4) hiring opportunities for underserved communities and disadvantaged workers including low-income, people of color, women, veterans, formerly incarcerated, people with disabilities and those displaced from fossil-fuel jobs. Models from other jurisdictions should be studied and replicated as appropriate.
10. Investment decisions should support public and private investment in pre-apprenticeship and apprenticeship programs for new clean transportation jobs by working with labor unions and state and local educational institutions.
11. A TCI policy should not supersede or delay action on other state or local investment strategies that are necessary to reduce pollution and improve the quality of life for residents. It should help advance the goals of complementary policies.

4. Emission Reductions and Policy Framework

According to the Greenhouse Gas Reduction Act¹, Maryland must reduce its GHG emissions 40% by 2030 and aim to reduce them 80-95% by 2050. Since the state adopted these goals, the Intergovernmental Panel on Climate Change (IPCC) has stated that global emissions must

¹ <http://mgaleg.maryland.gov/2016RS/bills/sb/sb0323T.pdf>

be reduced at least 45% by 2030, which means wealthy countries and states must do more. Transportation is the highest emitting sector in our state, hence achieving the IPCC target will require substantial effort to limit and reduce emissions and invest in reductions in the transportation sector. Each year the TCI cap on pollution should decrease to ultimately reach 45-50% or more below 2006 levels by 2030, consistent with the goals scientists affirmed in the IPCC report in October 2018, and should generate proceeds for investment to help meet that target.

According to projections from the Georgetown Climate Center, Maryland should be targeting to invest an average of at least \$343 million per year into clean transportation solutions to realize substantial economic, climate, and workforce benefits. In addition, according to MDOT's May 2019 presentation before the Commission on Climate Change, Maryland needs at least \$18 billion more in investments by 2030 to reach our state-wide transportation climate targets.² The policy framework should be based upon lessons learned from the RGGI program and should result in a stringent cap on emissions and pricing structures like price floors and cap stringency that ensure sufficient generation of proceeds to meet the investment and emission reduction needs of the region. To further help realize the previously-identified goals, should the states pursue an allowance auction program within a cap-and-invest policy, the state should auction all allowances rather than freely allocate them and avoid direct connection or trading between RGGI and TCI.

The successful development of this policy structure requires that it be informed by substantial and transparent stakeholder input as described previously. We encourage Maryland to engage, educate, and receive feedback on policy considerations from local public stakeholders in a transparent and inclusive way.

Sincerely,

Undersigned

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http://www.mdot.maryland.gov/newMDOT/Planning/Documents/MDOT_050619_ClimateChangeWorkshop_Materials.pdf

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Updated December 5th, 2019 with additional signatories.