

P.O. Box 34047, Bethesda, MD 20827

www.womensdemocraticclub.org

House Bill 33 – Climate Crisis and Education Act Economic Matters and Environment and Transportation Committee – February 18, 2021 SUPPORT

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club** (WDC) for the 2021 legislative session. WDC is one of the largest and most active Democratic Clubs in our County with hundreds of politically active women and men, including many elected officials.

WDC urges the passage of HB0033 – the Climate Crisis and Education Act ("Act"). This bill will not only make Maryland less dependent on fossil fuels, it will also improve environmental equity by directing the fossil fuel industry to give back to our communities by funding services and education. This bill also straddles the intersection between environmental and racial justice by protecting low-income consumers and small businesses from burdens potentially resulting from new regulations.

WDC evaluated the efficacy of HB0033 based on how this bill will improve the lives of Maryland's women and their families. According to the U.S. Census¹ the overall poverty rate in Maryland is 9.4%. In some areas this rate is far greater. For example, Baltimore City has a poverty rate of 21.8%². Nationally, Black Americans are two and a half times more likely to be poor than White Americans. In Maryland, 13.6% of Black residents are living below the poverty line. According to the State of Maryland, 51.6% of the population is women and girls of all races and ethnicity³. Of this group, "[t]he largest demographic living in poverty is Females 25 - 34, followed by Females 18 – 24, and then Females 35 – 44."⁴ The most common racial or ethnic group living below the poverty line in Maryland is Black, followed by White and Hispanic residents.⁵ Furthermore, 49% of the State workforce are women, with 29.1% of single female headed households living in poverty.⁶ However, women of color are disproportionately living below the poverty level. In Montgomery County nearly 14% of Hispanic women in the County are living below the poverty level, and "Hispanic and African American girls and women are three to four times more likely to live in poverty than white women"⁷. These are the types of data that WDC uses to evaluate the Act's impact.

The Act creates three special funds to receive revenues from fees collected through pollution fees on fossil fuels. The three special funds are the *Kirwan Commission Fund*, the *Household and Employer Benefit Fund*, and the

¹ U.S. Census Bureau (2019, December 19). *American Community Survey 2014-2018 5-Year Estimates Now Available*. Retrieved from ² Maryland Matters (2020, September 7). *Survey Shows Md.'s Poverty Rates — and the Racial Gap Beneath Them*. Retrieved from <u>https://www.marylandmatters.org/blog/survey-shows-md-s-poverty-rates-and-the-racial-gap-beneath-them/</u> ³ DataUSA.com/Maryland State. Retrieved from https://datausa.io/profile/geo/maryland

⁴ Ibid., Poverty by age and gender.

⁵ Ibid., Poverty by race and ethnicity.

⁶ Maryland Commission for Women (n.d.). *Who We Represent - Maryland's Women & Girls.* Retrieved from

https://dhs.maryland.gov/documents/Initiatives/Maryland%20Womens%20Commission/Resources/Who-We-Represent-1-2018.pdf ⁷ Simmons, Sasha-Ann (2019, January 29). Women, People Of Color Increasingly Left Behind In Montgomery County, Report Finds. *WAMU 88.5.* Retrieved from <u>https://wamu.org/story/19/01/29/women-people-of-color-increasingly-left-behind-in-montgomery-</u> county-report-finds/



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Climate Crisis Infrastructure Fund. Passage of HB0033 not only directs the creation of these new programs, it also provides a PAYGO to offset spending.

In 2020, Governor Hogan vetoed many important bills, including the Blueprint for Maryland's Future that passed with bipartisan support in 2020. The Governor cited the perceived lack of funds to execute on new programs created by the impact of the pandemic. The Legislature has just voted, in this 2021 Session, to override the Governor's veto. However, the source of funding to implement the plan remains uncertain. This Act contributes to defraying the cost of this important and historic initiative by allocating \$350M annually to the *Kirwan Commission Fund*. In addition, under the *Household and Employer Benefit Fund*, the Act contains two provisions that specifically benefit low-income households and "energy intensive trade-exposed employers in the State."⁸ WDC is pleased to see the inclusion of a provision that addresses, and is sensitive to, the potential negative impact on low-income households of increased environmental regulation.⁹ Beyond these benefits, the Act, through the *Climate Crisis Infrastructure Fund*, invests in initiatives that improve the health and welfare of the citizens of the State for specified purposes related to clean energy and resiliency. The Act recommends that 30% of the money is to be used to benefit low- and moderate-income residents, with priority given to historically pollution-burdened and underserved communities.¹⁰

Pollution undermines the basic building blocks of life and is strongly linked to poverty. Children face the highest risks and are the most vulnerable victims of pollution because even small exposures to chemicals in utero and early childhood can result in lifelong disease, disability, premature death, as well as reduced learning and earning potential.¹¹ WDC applauds the sponsors of the House and Senate bills for taking on this important issue.

We ask for your support for HB0033 and strongly urge a favorable Committee report.

Respectfully,

Din E. Lay

Diana Conway President

⁸ Ross, Stephen M. (2021, January 31). *Fiscal and Policy Note, House Bill 33, Economic Matters and Environment and Transportation*. Department of Legislative Services, Maryland General Assembly, 2021 Session. Retrieved from http://mgaleg.maryland.gov/2021RS/fnotes/bil_0003/hb0033.pdf

⁹ Bruegge, C., Deryugina, T., Myers, E. (January 2018). The distributional effects of building energy codes (Working Paper 24211). National Bureau Of Economic Research. Retrieved from

https://www.nber.org/system/files/working_papers/w24211/w24211.pdf

¹⁰ Ross. Page 4. Para. iv.

¹¹ McCarthy, Joe (2019, May 17). *3 Ways People in Poverty Suffer the Most From Pollution*. Global Citizen. Retrieved from https://www.globalcitizen.org/en/content/how-pollution-affects-the-poor/