



**Testimony of Earthjustice in Support of S.4264A,
The Climate and Community Investment Act**

**Joint Public Hearing Before the New York Senate Committee on Environmental
Conservation and Committee on Energy and Telecommunications**

April 13, 2021

Earthjustice submits this testimony in support of S. 4264A, the Climate and Community Investment Act (CCIA). Earthjustice is a national public interest environmental law office, representing communities, tribes and organizations across the country in litigation and advocacy to protect people's health, preserve natural places and wildlife, advance clean energy, and combat climate change. Earthjustice is proud to be a member of the NY Renews Coalition.

The CCIA is a model policy for funding and implementing a transition to a just and equitable renewable energy economy. In this critical moment for New York – as we attempt to rebuild public health and the economy from the COVID crisis, address the longstanding racial injustices the pandemic laid bare, and shift off fossil fuels before it is too late to prevent catastrophic climate change – enacting the CCIA should be a priority for this body.

Enacting the CCIA is a critical next step for New York to make sure the state achieves the greenhouse gas (GHG) reduction mandates set by the Climate Leadership and Community Protection Act (CLCPA), and that we do so in an equitable way. The CLCPA established a process for the state to devise a comprehensive emissions reductions plan and authorized the state to enact binding regulations to meet GHG emissions reductions targets, but it does not authorize new revenue, direct investment, or establish a concrete plan for decarbonization. As current discussions among the Climate Action Council and Advisory Panels make clear, the state's plan is highly contested, particularly around issues the CCIA will address such as revenue generation, investment priorities and whether and how to prioritize eliminating co-pollutants.

Thus far, implementation of the CLCPA makes clear that equitable, non-regressive revenue streams and prioritization of investments in frontline communities are not a given. In Earthjustice's cases and proceedings on behalf of community groups seeking to prevent expansion of gas plants and infrastructure in New York, the organization has seen a concerted effort by fossil fuel companies to extend their polluting business model as long as possible while continuing to reap huge profits. At the same time, in policy discussions around CLCPA implementation, alternative fuel companies are lobbying for subsidies even when their products may pose harm to frontline communities and lack a pathway to zero emissions. The state is also considering sector-based revenue generating policies, like a Low Carbon Fuel Standard (LCFS)

or the NYISO carbon “adder,” that lack measures to counteract regressive impacts and in the case of the LCFS, lack any public accountability for the use of funds. Even agencies’ best efforts to direct 35% of funding to disadvantaged communities as required by the CLCPA will only serve to mitigate impacts like continued pollution, higher costs, or barriers to accessing clean energy resources if the state’s underlying policies and overall investments are not designed with frontline communities’ needs at the core.

The CCIA is a revenue generating climate policy that prioritizes the needs of New Yorkers for clean air, public investment, local renewable energy generation, good jobs and affordable energy. It creates substantial revenue from fossil fuel companies – between \$10 to \$15 billion per year over the next decade – that will allow the state to both fund large public infrastructure projects necessary to support the transition to a renewable energy economy and distribute funds to disadvantaged communities for local investment, while also supporting displaced workers and providing crucial rebates to low- and moderate-income New Yorkers and small businesses. Highlighted below are several aspects of the CCIA that make it such a critical policy for New York:

The CCIA is about investment in a just transition. Unlike some carbon pricing policies, the CCIA does not set a price on GHG emissions simply as a way to shift the market toward less carbon intensive energy sources. Instead, the CCIA puts a price on GHG emissions to generate revenue that will be invested to facilitate the transition to a renewable energy economy and help the state achieve the CLCPA’s GHG emissions limits. The CCIA creates a new Climate and Community Investment Authority to ensure that the revenue is used for its intended purposes: to support green jobs and public infrastructure, community-based just transition programs, energy rebates, and help fossil fuel host communities transition to an economically thriving future. These investments will create over 150,000 well-paying jobs over the next decade. The CCIA will support a sustainable economic recovery for New York in the aftermath of COVID: the need for a massive investment in frontline communities and in creating hundreds of thousands of good, green jobs has never been clearer.

The CCIA prioritizes public health. The CCIA is also a unique carbon pricing policy because it charges polluters for both GHG emissions and co-pollutants. Co-pollutants such as fine particulate matter, sulfur dioxide and nitrogen oxides are the noxious by-products of burning fossil fuels that are responsible for asthma, heart disease, and other adverse health outcomes. Longstanding racial discrimination in housing and environmental policies has placed power generators, highways, and landfills squarely in communities of color, and the disparate long-term health impacts of breathing in pollution are more evident than ever before during a respiratory disease pandemic. Putting a price on co-pollutants as well as GHG emissions has critical benefits for public health and for racial equity in New York.

The CCIA supports vulnerable New Yorkers in the transition to a renewable energy economy. Low- and moderate-income New Yorkers are often least able to afford initial upfront costs of new, cleaner technology such as solar panels, heat pumps or electric vehicles. Similarly, they are hit harder by any price increases that fossil fuel companies may pass along to customers within the state. Many New Yorkers already experience an energy burden, defined as paying more than 6% of income to energy costs. The CCIA establishes energy rebates to ensure

affordable energy for low- and moderate-income New Yorkers and provides support to defray costs for small businesses and non-profit organizations as well. In addition, the CCIA creates a comprehensive Worker and Community Assurance Fund which would provide guaranteed economic support to displaced workers from the fossil fuel industry, including support to re-train and re-equip workers to prevent layoffs. This includes income support, pension support, and funds for early retirement. And for newly created jobs, the bill includes local and targeted hiring provisions to ensure that communities most impacted by the climate crisis and people who have been excluded from good paying jobs would be first in line for employment opportunities.

The CCIA allows communities to assess their own needs and invest locally. All communities should have access to safe, energy efficient housing and schools, public transportation that doesn't increase pollution, parks and green space, and renewable energy. The CCIA would make billions of dollars specifically available to communities on the frontlines of the climate crisis for locally-designed renewable and resiliency programs. Communities know best what their own needs are, and the CCIA will allow them to have a meaningful voice in determining investments in projects such as quality, energy efficient affordable housing, public schools, childcare facilities, locally owned renewable energy, and community-led resiliency projects.

For these reasons, Earthjustice supports the CCIA and urges the Senate and Assembly to pass the bill this session.

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