



## WHAT WE'VE HEARD SO FAR

### BACKGROUND

This document summarizes the input TCI jurisdictions have received in 2019 regarding the Transportation and Climate Initiative (TCI) [regional policy design process](#). Included in this summary are recommendations, suggestions, ideas, and other views provided through the [online input portal](#) on the TCI website, during regional public workshops and webinars, and through other conversations with TCI state agency leaders and staff. This document reflects the input provided prior to August 30, 2019. The TCI jurisdictions are continuing to solicit input from all interested people and organizations, and all input received will inform the policy development process.

Interest in the TCI regional policy development process has been strong. More than 1,000 people have participated (online or via livestream) in [three regional workshops](#) and [two webinars](#) held in 2019. [Approximately 100 separate entries](#) have been submitted [via an online portal on the TCI web site](#). Online submissions have come from individuals, non-governmental organizations, associations and businesses, and from coalitions of organizations. Many submissions contain collective comments from multiple organizations or from multiple individuals. For example, TCI received a letter signed by 39 conservation, transportation, public health and equity organizations, and letters signed by coalitions of business associations and environmental justice organizations. One environmental advocacy organization submitted a single PDF document containing messages from more than 2,400 of its individual members.

Attendees at public workshops participated in roundtable small-group discussions, and recorded their views and recommendations in writing. In this summary, we have not quantified the frequency with which specific ideas were provided due to differences in how each person framed their responses, but all those worksheets have been collected and reviewed, and their content is reflected in this summary qualitatively and thematically. The summary also reflects the content of presentations and plenary discussion at the workshops.

Individual TCI jurisdictions have also held public meetings and have provided other opportunities for interested people and groups to provide input. This summary does not incorporate input provided through those processes.

### SUMMARY OF INPUT RECEIVED

- **TCI's Overall Goals**
  - In general, submissions from individuals, organizations, and coalitions expressed support for the goals of TCI's regional policy development effort to reduce emissions of greenhouse gases from the transportation sector. Many cited rising sea levels and increases in extreme weather, wildfires, and drought, along with mounting scientific

evidence, including reports from the United Nations and other sources that describe the seriousness of the current and future dangers posed by climate change and the urgency of acting quickly to reduce greenhouse gas pollution.

- In tandem with concern about climate change, submissions frequently described the region's unmet transportation needs, sometimes describing the current transportation system as "failing" or "crumbling." Submissions often pointed to underfunded public transit systems, roads and bridges in dire need of repair, and ever-increasing road congestion as examples.
- Input also frequently pointed out that transportation accounts for the largest remaining proportion of carbon pollution in the region, and many encouraged TCI jurisdictions to put a price on carbon emissions from transportation to drive cuts in greenhouse gas pollution.
- Submissions from a wide variety of interested people pointed out that a program that puts a price on carbon emissions from transportation and enables participating jurisdictions to invest the proceeds would open new opportunities to address long-standing transportation challenges (including congestion in urban areas and access to jobs, healthcare and other necessities in rural areas), reduce harmful air pollution, and alleviate inequities in access to good transportation and exposure to pollution. Business interests and climate activists alike encouraged TCI to set a data-driven, evidence-based cap on emissions that drives progress in emissions cuts while generating sufficient proceeds to support those investments.
- A variety of submissions pointed to the Regional Greenhouse Gas Initiative (RGGI) as evidence that a regional, multi-jurisdiction cap-and-invest model can work to reduce emissions while growing the economy. At the same time, they urged that TCI jurisdictions study the experience of RGGI and other carbon pricing programs.
- Some online submissions and workshop comments voiced skepticism that a cap-and-invest approach could accomplish the goals states have set, or concern about process or community engagement, without expressing an opinion on the initiative's emissions reduction goals.
- Some input received at public workshops and via online submission expressed opposition to market-based strategies for reducing emissions, including cap-and-invest or cap-and-trade approaches. They urged jurisdictions to focus on other policy approaches, and to focus their efforts on local air pollution reductions in places that are disproportionately affected by air pollution, and on improving transportation options for underserved communities. They pointed to their experiences with cap-and-invest programs applied to stationary sources and expressed concern that a regional transportation program could result in local air pollution increases in historically overburdened communities. They also expressed skepticism that revenues would be invested in ways that benefit low-income communities and communities of color, and asked that the policy development process be extended to provide more time for community engagement.

- **Input on the Policy Design Process**
  - ***Transparency***
    - Input from environmental organizations, equity and environmental justice groups, community members and others urged participating jurisdictions to conduct an open and transparent process. Specific recommendations included:
      - Publishing all input submitted through the TCI online input portal.
      - Providing opportunities for people to hear from and share views with state leaders directly.
  - ***Inclusive and meaningful community outreach***
    - In online submissions and during public workshops, many voices, representing a wide range of communities and interests, asked TCI jurisdictions to seek out and give particular weight to the views and recommendations of people from affected “frontline” communities regarding policies and programs to address pollution and improve transportation in their communities.
    - Community-based and equity focused groups asked for meaningful community engagement that occurs early and often throughout the decision-making process so that the policy proposals and solutions come from the affected communities themselves.
    - Many asked for ongoing community engagement, including to ensure accountability regarding outcomes.
    - Input also urged states to ensure that public meetings and other opportunities for input are scheduled and designed in ways that enable community members to attend and participate fully. For example, scheduling meetings in evenings, and providing child care and translation services.
    - Submissions from organizations representing people in Maryland and New Jersey specifically asked that the environment and transportation agencies organize additional workshops and other opportunities to engage communities in those states.
  - ***Timeline for policy development***
    - Many individuals and organizations, citing the urgency of the climate crisis, urged TCI states to move as quickly as possible and asked them to hold firm to their commitment to develop a policy proposal.
    - Others suggested that states slow down the process to allow more time for public engagement and input into the program design process, particularly by people from underserved and disproportionately impacted communities.
- **Input on Equity and Environmental Justice**
  - States have received input from many people and organizations related to issues of equity and environmental justice. Many of those submissions articulated an interest in ensuring that any regional policy explicitly places a priority on reducing pollution in the communities that currently experience the most severe impacts from air pollution.
  - ***Identification of and benefits to environmental justice communities***
    - Submissions from multiple individuals and groups asked that states prioritize emission reductions in communities that are disproportionately burdened by pollution.

- They also asked that TCI jurisdictions take steps to ensure that investment of revenue flows to projects and programs that benefit those communities, along with those with the least access to reliable transportation options.
  - Many asked for assurances that the policy would have no adverse effect on minority, low-income, or disproportionately impacted communities; some further advocated that the program should be designed to yield net positive environmental, health, and economic benefits for those who need it the most.
  - Those recommendations also underscored the importance of transparent, equitable processes for identifying which communities would be designated for priority consideration under such an approach.
    - Input included suggestions to use US EPA's [EJSCREEN Environmental Justice Screening and Mapping Tool](#) in conjunction with other data on income, demographics, public health information and other community characteristics, and other factors to identify priority areas for investment.
    - Another suggestion was that community members have meaningful roles in shaping and approving the decisions regarding which communities would be identified as overburdened by pollution or underserved by transportation.
    - Some further suggested that such determinations should be handled by an independent entity separate from government to insulate those decisions from political considerations.
- **Community engagement**
  - Online submissions and input received at public workshops urged TCI jurisdictions to include communities at the table at each step of the policy development process. To make sure that frontline communities and others that experience disproportionate impacts, including communities of color and low-income communities, can participate fully, some recommended that community members should be compensated for their time and travel, and that meetings should be scheduled in the evening.
  - Another suggestion was that a percentage of investment dollars should fund projects that are community-led, operated by residents currently living or working in a specified area, and/or in collaboration with community-based organizations.
  - The public should have an opportunity to comment on proposed funding allocations before the spending plan is finalized.
  - Some submissions and workshop participants pointed out that for any program or activity that receives federal funds or other program benefits, states must comply with federal law (including Title VI of the Civil Rights Act of 1964) that prohibits discrimination, and suggested that any regional transportation policy should adhere to those same requirements in its development and implementation.

- **Consideration of health impacts and history of disproportionate pollution burdens**
  - Input received online and at public meetings described the disproportionate burdens of pollution borne by low income people and communities of color, and urged states to ensure a regional program includes an emphasis on addressing those disproportionate impacts, through directed investments of allowance revenues and via other complementary policies.
- **Local pollution reductions (including non-GHG co-pollutants) and monitoring**
  - Community leaders offered examples of local sources of transportation-related GHG and other air pollutants, (e.g. bus depots, marine port facilities, railroad lines and yards) that place disproportionate health burdens nearby “fence-line” or “frontline” communities, which are often low-income communities and communities of color. They asked states to prioritize policies and investments that would result in reductions in co-pollutant emissions in addition to GHG emission reductions.
  - A related recommendation was to prioritize monitoring for harmful air pollution in those communities to measure baseline pollution and evaluate the effectiveness of measures taken to reduce pollution.
- **Input on Program Modeling and Analysis**
  - TCI jurisdictions asked interested people and organizations to provide input and recommendations regarding the parameters for a “Reference Case” scenario to provide a baseline for comparison with other later policy modeling work. Responses included specific suggestions related to data sets and market assumptions for electric-vehicle battery prices, new vehicle introduction schedules and sales assumptions, and future trends in vehicle-miles-traveled (VMT). On an August 8, 2019 webinar, TCI officials presented details of how those recommendations were incorporated into the reference case modeling, and shared the results of the business-as-usual scenario.
- **Input on the Design of a Regional Low-Carbon Transportation Policy**
  - **Policy Design**
    - *Point of Regulation*
      - Submissions from a range of people and organizations voiced support for designating “prime suppliers” as defined by the Energy Information Agency as the point of regulation in a cap-and-invest system for transportation fuels.
      - In its submission, the American Petroleum Institute said it did not support using “prime suppliers” as the point of regulation, and instead recommended that states use the point at which current state and federal fuels taxes are collected.
      - Some raised concerns that a market-based system with an upstream point of regulation could make it more likely that existing inequalities of pollution exposure, particularly in low-income communities and communities of color, could persist even as overall emissions might decrease.

- *Program Coverage*
  - Some submissions suggested that aviation jet fuel be included in the program, in addition to on-road gasoline and diesel fuel.
  - Input from the bio-fuels industry advocated for provisions that would include differences in greenhouse gas emissions in the pricing of renewable and non-renewable fuels.
- *Cap Levels*
  - Most people and organizations that weighed in on cap levels expressed support for strict caps sufficient to achieve the emissions reductions goals set by TCI jurisdictions.
  - Some submissions said a cap-and-invest program should be designed to provide sufficient revenue to meet the initiative's revenue generation goals.
- *Allocations*
  - Numerous submissions advocated that all allowances under any cap-and-invest policy should be auctioned to generate revenue to invest in clean transportation programs and initiatives. Some specifically argued that no free pollution allowances should be given away to polluters.
  - Many suggested that there should be a minimum cost or price floor below which the allowance price would not be allowed to fall. Some further argued that the price floor should be high enough to capture the true cost of carbon, and that it increase each year to gradually increase program stringency.
- *Trading and Allowance Prices*
  - A number of people, including many individuals aligned with the Citizens Climate Lobby, expressed support for allowing the price of carbon allowances to rise to whatever levels would be necessary to achieve the program's emissions-reduction targets, and cautioned against "suppressing" allowance prices through price ceilings or other means.
  - Others, particularly those with a focus on environmental justice, expressed concern that the costs associated with emissions allowances could fall disproportionately on low-income people, and urged jurisdictions to ensure those burdens are distributed equitably.
  - Some pointed to the price "floor" and Emissions Containment Reserve provisions of RGGI as models to consider adapting to a regional transportation policy.
- *Offsets*
  - A few submissions expressed the view that no offsets should be permitted. Others urged states to ensure that offset policies do not undermine the effectiveness of the program for reducing emissions.
  - Some also expressed the view that if offsets are allowed, they must be verifiable, enforceable, and permanent, and that offsets should be

allowed only within the TCI region, to maximize the program's health and environmental benefits to people within the TCI region.

- *Linkage*
  - Few submissions expressed positions on linking a potential transportation cap-and-invest program to other existing programs such as RGGI or WCI. Those that did mention linkage urged TCI jurisdictions to exercise caution and carefully evaluate the potential effects of such arrangements on allowance prices and emissions reductions.
- *Other policy approaches*
  - Some submissions advocated that states adopt a tax on the carbon content of fossil fuels, rather than a cap-and-invest or other market based approach. They asserted such an approach would be more predictable and more likely to generate the revenue needed for effective investments in clean and equitable transportation projects.
  - Others, including the Climate Law & Policy project and individuals affiliated with the Citizens' Climate Lobby, advocated for a cap-and-rebate, fee-and-dividend approach, or "feebate" approach, in which all proceeds would be returned to households rather than invested in low-carbon policies and programs.
- **Investment Priorities**
  - *Environmental Justice and Equity*
    - As outlined above, many submissions, including those from organizations not primarily focused on equity and environmental justice, advocated for identifying environmental justice communities and prioritizing investments to benefit those communities.
    - Some organizations and participants at public workshops advocated for dedicating a specific percentage of auction proceeds to be invested in those communities.
    - Many also asked that community members have meaningful roles in determining how those monies should be spent. Some specifically suggested that some portion of proceeds be set aside for community-led initiatives, and that RFPs and project selection processes be set up to provide community members with meaningful roles in evaluating and selecting projects. For example, one coalition of organizations asked that no less than 10% of investment dollars should fund projects that are community-led and operated by residents currently living or working in a target area, or in collaboration with community-based organizations.
  - *Electrification and EV charging infrastructure*
    - Input from many participants at public workshops and from a variety of groups and individuals urged that electrification of transportation, including private vehicles, public transit, and commercial freight vehicles.

- Many submissions suggested that electrification of public transit trains and buses, particularly conversion of diesel buses, be a particular priority. These recommendations often also urged that buses serving heavily polluted communities be the first priority for transition to electric buses.
- Input also frequently mentioned school buses as an important priority for electrification.
- Some asked the participating jurisdictions to implement policies that promote more equitable electrification, including through incentives for pre-owned EVs, EVs in transit fleets, ride hailing and car sharing fleets, and additional incentives for low-income EV purchasers.
- *Bicycling and Pedestrian Infrastructure*
  - Commenters and workshop speakers described the need to invest in active transportation infrastructure, including dedicated bicycling lanes, improved sidewalks, and other components of “complete streets” policies to provide better transportation alternatives and improve safety.
- *Transit*
  - Many workshop participants and submissions from groups and individuals listed public transit as a top priority for investments. Frequently mentioned goals for investment included making transit more affordable, reliable, safe, and accessible. Some called for using proceeds to fill the gaps in public transit during off hours and weekends, purchase electric buses, increase frequency of bus and rail service, and expand the reach of existing transit systems.
- Organizations affiliated with specific automotive technologies advocated for prioritizing those technologies for infrastructure investments, incentives, or other targeted consideration within the program design.
  - Diesel Technology Forum asked states to consider the benefit to the region from a higher adoption of advanced diesel technologies including biodiesel and renewable diesel fuel.
  - Natural Gas Vehicles for America advocated for investments for natural gas vehicles, including recovered biogas fuels.
  - Fuel Cell and Hydrogen Energy Association urged TCI jurisdictions to make hydrogen fueling infrastructure a priority.
  - Advanced Biofuels USA favored prioritizing investment focused on renewable fuel research and infrastructure development.
- *Rural Mobility*
  - Input received online and at workshops pointed to the particular transportation challenges faced in rural areas, including lack of public transportation options and the need to drive long distances to reach jobs, schools, and health care services.



- *Land Use and Planning*
      - Input from numerous groups and individuals asked TCI jurisdictions to consider investments in initiatives to make streets more friendly to pedestrians and cyclists. Related input advocated for more extensive attention to land use planning to make it easier for people to reach jobs, services, and businesses without using their cars. Another suggestion was that affordable housing should be located near transit hubs.
  - **Complementary Policies**
    - Multiple people and organizations, including presenters and participants at public workshops, pointed out that a regional policy that puts a price on carbon pollution from vehicles should be coupled with other complementary policies at the state and local levels. Complementary policies could address sources of pollution not covered by the regional policy, provide incentives for other forms of transportation, including public transit, encourage particular land-use approaches, among other things. Complementary policies may be the best or only suitable way to address certain problems or access certain opportunities that fall within state or local authorities.
    - Some examples of complementary policies suggested by various interested people and organizations include:
      - Promotion of alternative transportation modes such as walking, biking, micromobility
      - Smart tolling policies, congestion pricing and other ways to incent behavior change.
      - Policies to address pollution associated with ports facilities
      - Policies and programs focused on reducing co-pollutants in disproportionately affected communities
      - Enhanced diesel anti-idling programs
      - Changes to land-use planning policies
      - Accelerating development and deployment of high speed regional rail service.
    - Submissions also encouraged states to take a broad, inclusive view of complementary policies, and to actively engage people, businesses, and communities in the process of evaluating, designing and implementing complementary policies.
  - **Monitoring and Evaluation**
    - Submissions related to equity and environmental justice frequently also advocated for transparency in fund allocation and parallel requirements for monitoring and evaluation to verify that funding actually goes to communities with the greatest need. Related submissions asked for environmental, health, and economic impact assessments of the program be conducted on a regular basis and made publicly available, including in advance of new allowance allocations, new investment decisions, or any program review.

- Some also suggested that investment and procurement decisions should be made using a “best-value” analysis that incorporates criteria for racial and economic equity, public health, environmental justice, worker wellbeing, quality job creation, small business development, climate resilience and adaptation, access and affordability of mobility solutions to jobs and services.
- ***Lessons learned from California and other programs***
  - Participants in public workshops and other people and organizations urged TCI jurisdictions to learn from and emulate other operating cap-and-invest programs operating in California and other areas. Some suggested that TCI jurisdictions adopt California’s requirement that a percentage of auction proceeds be directed for investments in environmental justice communities, including community-led projects.
  - Some also expressed concerns about whether California has succeeded in reducing transportation emissions and about the state’s actions aimed at engaging communities addressing inequalities in pollution exposure and other disproportionate burdens on certain communities.