Policy Design Principles for an Equitable Clean Transportation Program

July 26, 2019

Submitted through TCI Input Portal

To:

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Dear TCI decision-makers and Georgetown staff,

We applaud your efforts to devise solutions to transportation sector emissions across the Northeast and Mid-Atlantic Region. Transportation emissions are a top source of carbon emissions in the region and in the U.S. They also pose serious and significant health risks to communities of color who are disproportionately exposed to dirty cars, trucks, buses, ports, and other major sources thanks to decades of discriminatory transit, urban planning, and facility siting decisions. There is no question, we must take steps to cut pollution from this sector and

invest in solutions. We must simultaneously take specific, measurable, and meaningful steps to ensure the communities hit first and worst by pollution, or who have inadequate access to mobility options, can fully participate and benefit from a clean, modern, reliable, and affordable transportation system.

Many of us, who represent and serve low-income communities and communities of color who are most impacted by pollution, have serious concerns about the potential for increased pollution burdens in these communities resulting from a cap and invest program. Without specific and intentional focus on ensuring a transportation emissions reduction program addresses the needs of impacted communities, the program is likely to exacerbate the divide between the eco-haves and eco-have-nots.

In the spirit of being solutions-oriented and working together to create the world that we want, we have come together to offer solutions for how states should move forward in addressing these concerns.

On February 13th, 2019, thirty-two representatives from equity, environmental justice, community, transit, labor, and social justice organizations met in Philadelphia at the Northeast Transportation Equity Convening. We discussed the implications of the Transportation and Climate Initiative. We asked, "What would need to be incorporated into the TCI program to ensure it lead to equitable results?" The discussion centered around four key questions:

- How do we ensure emissions reductions?
- What should the criteria be for spending the money?
- What are the complementary policies we want to see?
- What do we want the process to look like?

The policy recommendations below were compiled from that discussion, co-created by participating groups and refined through subsequent conversations, including a subcommittee of organizations who attended the convening, and with input from one on one conversations with additional community leaders throughout the region.

We, the undersigned, advocate for the following principles and recommendations. Critically, we ask states to adopt equity as an equal goal alongside carbon emissions reductions for any regional carbon emissions reduction program, with clear metrics for how states will measure success in this area and remain accountable to one another and to communities. This commitment should be expressed in any regional commitment (such as an MOU), and should not be left to individual states to determine whether they will address the needs of our most impacted communities.

Policy Design Principles for an Equitable Clean Transportation Program

- 1. Don't let polluters off the hook. The public has been subsidizing the cost of pollution for long enough. No free pollution allowances should be given away to polluters. All allowances should be sold or auctioned, and there should be a minimum cost that captures the true cost of carbon and increases each year to ensure program stringency. Also enforce strict limits on offsets to ensure that co-benefits of air pollution emissions reductions happen locally. No offsets should happen outside the region.
- 2. No community left behind. Environmental, health, and economic burdens should have no adverse effect on minority, low-income, or disproportionately impacted communities. An environmental, health, and economic impact assessment of the program should be conducted on a regular basis, and made publicly available in advance of new allowance allocations, new investment decisions, or any program review. The program must yield net positive environmental, health, and economic benefits for those who need it the most.
- 3. Protect against discrimination. States must adhere to federal law including Title VI explicit language that prohibits discrimination, directly or indirectly, intentionally or unintentionally, in the quantity, quality, or timeliness of program services, aids and benefits on the basis of race, color, national origin, religion, disability, age, gender, sexual orientation, medical history or condition, or criminal background in any program or activity that receives funds or other program benefits. Persons with limited English proficiency must be afforded a meaningful opportunity to participate in programs that receive funds or other program benefits.
- 4. Defend frontline communities first. States should set and pursue, without delay, guaranteed emissions reductions in communities facing cumulative disproportionate negative health impacts. This does not and should not wait for cap and invest to be implemented. Fenceline communities, such as those around major highways, freight hubs, ports, and distribution centers, should receive grants to conduct air quality monitoring with publicly available data. States should immediately begin working with community partners to then develop air quality improvement plans, and support the adoption of complementary policies as needed to address local issues, to be implemented before or concurrent to the start of any cap-and-trade program.
- 5. Invest in us. Allowances should generate proceeds that go directly to a dedicated fund. This fund should be designated for new investments to achieve the climate and equity goals of the program, not replace existing maintenance costs or be used to fill budget gaps. Dedicate and prioritize investments in overburdened and underserved communities. No less than 50% of funds should go directly to benefit overburdened and underserved communities. 'Overburdened communities' should be defined as those communities where air quality is the worst, and where communities are disproportionately impacted by negative cumulative health impacts of exposure to

harmful air pollution. 'Underserved communities' should be areas that disproportionately lack reliable, affordable, accessible public transportation services that connect them to jobs, health care, and education relative to their population density. Affordable housing should be located near transit hubs.

- 6. Maximize co-benefits. 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. Investments should be done in a way that maximizes human health and wellbeing, environmental and ecological stability and preservation, as well as narrowing racial and socioeconomic inequities.
- 7. Communities know best. Communities should be at the table in every step of the process. States should publicize request for proposals (RFP) from agencies, municipalities, institutions, businesses, and community-led organizations. All proposed projects should be required to complete a public participation form, with community participation and in response to community needs. States should form community-centered mitigation committees to review proposals with leaders directly from communities with disproportionate impacts including minority and low-income communities. These community leaders should be compensated for their time and travel. The public should have an opportunity to comment on proposed funding allocations before the spending plan is finalized. 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 a community-based organizations.
- 8. Ensure fairness for workers. Funding for projects and programs should be tied to fair labor standards, diversifying the workforce, and supporting small businesses. Workers must be paid a prevailing wage, receive good benefits, and be assured union neutrality. Seasonal, temporary, and part-time work should be minimized. Local economies should be supported by hiring members of the communities themselves when new jobs and opportunities are created, leaving no worker behind. Job training and apprenticeships should be created and designed to diversify the workforce and safeguard against worker displacement. Small businesses should be prioritized, especially those who are owned or led by women and people of color. No less than 20% of investment dollars should fund job training, workforce development, and diversity programs.
- **9.** *Public dollars for public good*. Government has a responsibility to serve the public good. Privatizing transportation services weakens the public's voice in determining their transportation future. Public dollars should be invested in transportation infrastructure that is publicly controlled and performed by public employees.

In summary, we recognize the urgent need to curb transportation sector emissions and to build a clean, modern, reliable, and affordable transportation system that works for everyone. And, if

you continue to develop a market-based cap-and-invest program to cover transportation fuels in the Northeast and Mid-Atlantic, there must be guardrails in place and assurances that such a program would benefit the communities that need it the most, and those guardrails must be in place prior to or in conjunction with the start of the program. We urge you to adopt these policy design recommendations, and to continue deepening your engagement with the residents and community stakeholders who face these disproportionate impacts in each of your states.

We look forward to how we may continue working together to make progress.

Respectfully,

Baltimore Transit Equity Coalition
Brandywine | TB Southern Region Neighborhood Coalition (BTB Coalition)
Chispa
Green For All
NAACP New York State Conference
NAACP Virginia State Conference
Pittsburghers for Public Transit
Transport Hartford Academy at the Center for Latino Progress