

Senator Adam G. Hinds, Chair
Representative Mark J. Cusack, Chair
Joint Committee on Revenue
State House
Boston, MA 02133

June 18, 2019

RE: SUPPORT – S.10 An Act providing for climate change adaptation infrastructure investments in the Commonwealth

Dear Chair Hinds and Chair Cusack,

We are writing to express our strong support for *S.10 An Act providing for climate change adaptation infrastructure investments in the Commonwealth*, and respectfully request a favorable report by the Joint Committee on Revenue.

We would like to thank the Baker Administration and the Legislature for showing national leadership with the enactment of climate change adaptation planning, programs and funding in Chapter 209 of the Acts of 2018 (the Climate Bond), *An Act promoting climate change adaptation, environmental and natural resource protection, and investment in recreational assets and opportunity*. The Climate Bond codified into law *Executive Order 569: Establishing an Integrated Climate Change Strategy for the Commonwealth*. EO569 and the Bond provided support for the following initiatives:

- In spring of 2017, the Massachusetts Executive Office of Energy and Environmental Affairs (EEA) launched the Municipal Vulnerability Preparedness (MVP) grant program, which provides support for cities and towns in Massachusetts to begin the process of planning for climate change resiliency and implementing priority projects. Currently, over 50 percent of the Commonwealth's communities are participating in the MVP program.
- In fall of 2018, EEA and the Massachusetts Emergency Management Agency released the *State Hazard Mitigation & Climate Adaptation Plan*, the first of its kind in the U.S. to integrate these two approaches to identifying and proposing adaptation measures in response to hazards.
- EEA launched a new website, the Resilient MA Climate Clearinghouse, to provide communities with (1) access to the best science and data on expected climate change impacts; (2) information on planning techniques and proactive actions communities can take to build resiliency and avoid loss; and (3) links to important grant programs and technical assistance opportunities.
- The Climate Bond also authorized funding to support a wide variety of programs through EEA's five state agencies that provide support to communities as they work to deploy nature-based solutions for adaptation and become more resilient in the face of climate change.

While we greatly appreciate funding and support through the 2018 Climate Bond (Chapter 209 of the Acts of 2018), we urge the Commonwealth's leaders to develop a robust mix of funding from different scales of government, as well as private capital. We are concerned that if the existing Climate Bond is the sole source of funding for climate adaptation across state government, then it will come at the expense of other important environmental priorities.

These principles align with S.10:

- Increase dedicated and sustainable funding for all climate change goals;
- Provide capital, operating and other funding for programs and staff resources across all state agencies;
- Build upon current programs and successes;
- Ensure a diversity of state agencies and municipalities funding sources and responsibilities; and
- Target the benefits to those paying.

According to the Baker Administration, S.10 would increase the Commonwealth's deeds excise rate, paid by the seller at the time of sale, from \$2 to \$3 per \$500 of value (from \$1.50 to \$2.50 per \$500 of value). This represents an all-in rate increase of 0.228 percent. At the median single-family home sale price of \$399,900, the increase is approximately \$912. At the median condo sale price of \$370,000, the increase is approximately \$864. The Massachusetts total deeds excise rate will continue to rank in the middle-of-pack among the six New England states. According to the Baker Administration, S.10 would provide an estimated \$75 million in fiscal year 2020 and \$137 million on an annualized basis, resulting in approximately \$1 billion over 10 years, to be deposited in the Global Warming Solutions Trust Fund (established in the Climate Bond).

The revenue generated by S.10 could support a range of initiatives, such as:

- Supporting the on-going efforts of the MVP program to allow communities to identify their vulnerability to climate change and implement key priorities to reduce risk.
- Providing loans, grants, and technical assistance to communities for infrastructure improvements, including: stormwater upgrades, dam retrofits and removals, drainage and culvert improvements, drought mitigation, nature-based solutions, strategic land acquisition and restoration, and other adaptation strategies.
- Conducting state and local vulnerability assessments that use climate change projections and risk analysis to direct policy and investment by prioritizing, planning, and retrofitting vulnerable assets that protect public and private investments, communities and residents' health and safety.
- Expanding investments in statewide climate science and data to inform state and local decision-making and providing tools to municipal governments, local agencies and non-profits, large and small businesses, and farmers, foresters, fishermen and other natural resource-based industries to help manage the impacts of climate change.

We would also like to thank the Legislature for considering other proposals that would provide additional sources of funding for climate change adaptation and resiliency. We appreciate support for

resilient infrastructure in carbon-pricing legislation, whether economy-wide or focused on a sector such as transportation. We also support Speaker Robert DeLeo's "Greenworks" legislation and appreciate the dialog we have had with the Telecommunication, Utilities and Energy Committee. We believe S.10 and these proposals are complementary and that we need an "all-hands on deck" approach to funding and policy.

Finally, Massachusetts has invested wisely in public funding and support for climate change adaptation. Our approach enhances safety, avoids community costs, and fosters climate equity and nature-based solutions. We have learned from past extreme storms, such as tropical storm Irene (which hit the western Massachusetts particularly hard), that the most vulnerable front-line communities suffer inequitable impacts of climate change. If we invest in adaptation now, we will ensure a safer future for generations to come.

Thank you for your time and consideration. Please feel free to contact us at any time if we can be of further assistance.

Sincerely,

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The Nature Conservancy

Elizabeth Turnbull Henry
President
Environmental League of Massachusetts

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