198 Tremont Street, Suite 415 Boston, MA 02111 617.742.0054 acadiacenter.org

## American Rescue Plan Act (ARPA) Funding- Economic Development: Transportation/Arts & Tourism/Climate/Infrastructure

## Joint Committee on Ways and Means

September 9, 2021

Chair Rodrigues, Chair Michlewitz, and Honorable Members of the Committee:

Acadia Center appreciates this opportunity to provide written testimony concerning potential options for the use of funding provided by the American Rescue Plan Act (ARPA). Acadia Center is a nonprofit research and advocacy organization committed to advancing the clean energy future. Acadia Center advocates for an equitable clean energy future for Massachusetts, tackling regulatory and legislative energy policy, transportation, energy efficiency, beneficial electrification, utility innovation, and renewable energy.

As many of you are aware, the climate crisis is no longer a problem that is far off in the distant future. It is here now, it is decimating our cities and towns, and it is crushing our friends and neighbors. We cannot afford to waste any more time in confronting these catastrophes head on. Unfortunately, combatting the climate crisis has a history that has been plagued by chronic underinvestment. This failure to appropriately fund mitigation, adaptation, and resiliency efforts has helped lead to our current problems, with the most vulnerable and marginalized among us shouldering the heaviest burdens. This level of funding provided by ARPA generally comes along once in a generation and must be invested in delivering the climate justice our Commonwealth deserves.

According to the state's own numbers, <u>close to 50%</u> of the state's emissions came from the transportation sector in 2017. If Massachusetts is to make meaningful progress in tackling climate change, meaningful investments in transportation and transit electrification must be a priority. Chronic underinvestment—both in marginalized communities and in alternatives to personal vehicles—has resulted in congested roads, inadequate public transit, and neighborhoods lacking access to economic opportunities. Though Acadia Center supports the Commonwealth's aim to fund transportation improvements with a robust, durable, and equitable Transportation and Climate Initiative Program, that program alone will not be enough to fully fund the state's transportation electrification needs.

Specific attention should be paid to those areas which require heavy direct investment and would show immediate impact, such as EV charging stations. One of the most potent barriers to EV adoption is that consumers have concerns about the availability of charging stations. A direct investment from the Commonwealth into these chargers, such as through additional funding to the MassEVIP program or providing subsidies to multi-family homes for level 2 chargers, could rapidly eliminate this barrier in Massachusetts. Additionally, investments into electrifying our state's bus fleet could make a significant dent in transportation emissions. According to some estimates, each electric bus that replaces an older, high polluting diesel bus could reduce carbon dioxide (CO2) tailpipe emissions by nearly 230,000 pounds annually.

Additionally, recent devastating storms have made it clear that our Commonwealth needs to fund a public transit system that is sustainable and climate-resilient. A recent report has demonstrated that a 100-year storm coming as soon as 2030 would render much of Boston's subway lines completely inoperable. This climate devastation flies in the face of transit decisions the state continues to make, such as using diesel fuel for the new Phase 1 of the South Coast

Rail project. This ARPA funding could provide an excellent opportunity to invest in the electrification of our transit system and ensure that it is more resilient.

Rapid electrification of the buildings sector must be another top priority for the Commonwealth. Buildings remain the second-largest source of greenhouse gas emissions in Massachusetts, with over 65% of the energy used coming from fossil fuels. Additionally, roughly 85% of the residential buildings that are expected to exist in 2050 have already been built. Therefore, prioritizing rapid home electrification is essential.

While the state's energy efficiency programs offer rebates for heat pumps, that has not been enough to jumpstart adoption. What is needed for greater heat pump adoption is not just rebate dollars, but also investment in the entire marketplace. Make-ready ideas like workforce development, education, and a system to fully track heat pump installations could be transformative for electrification. Full home electrification, paired with increased investment in home weatherization, one of the most effective ways a consumer can insulate their home and save money on utility bills, is the path forward for housing in our Commonwealth. Addressing pre-weatherization barriers like lead, mold, and asbestos that keep homes, especially those occupied by renters and lower-to-middle income residents, from participating in the energy efficiency programs is also an effective way to leverage ARPA funds to have a magnified impact, by allowing these buildings to be treated through MassSave. The transformative level of funding available from ARPA could help jumpstart this industry and drive our Commonwealth toward our net-zero requirements.

Once more, Acadia Center appreciates the opportunity to provide this testimony. If you have any questions, please feel free to reach out any time.

Sincerely,

Jordan Stutt
Carbon Programs Director
<a href="mailto:jstutt@acadiacenter.org">jstutt@acadiacenter.org</a>
617-742-0054 x105