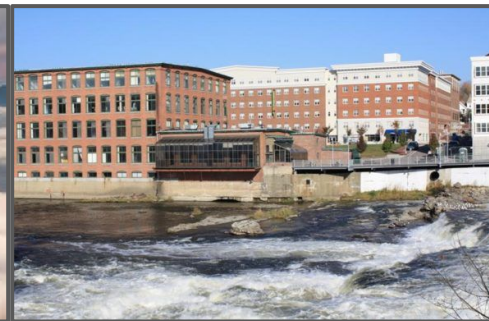




# Vermont Treasurer's Office

*Climate Infrastructure Financing/H.586*



## *House Ways and Means*

February 7, 2024

# Report Charge

In the Fiscal Year 2024 Appropriations Act, the State Legislature requested a report with recommendations from the Treasurer by January 15 regarding:

- Coordination of the State's climate infrastructure financing efforts;
- Creating a framework for effective collaboration among Vermont organizations, agencies, and the financial instrumentalities of the State to maximize the amount of federal Greenhouse Gas Reduction funds the State may receive; and
- Coordination of the deployment of these and other greenhouse gas reduction funds.

# Stakeholder and Public Engagement Process

- Four public Zoom sessions across industry sectors
- Individual meetings with stakeholders and relevant state government agencies
- Solicitation of public comments (nearly 150 comment submissions received over a 6-week period)
- Full scope of public comment and synthesis can be found in report

# Recommendations

Recommendation #1: Use the convening ability of the Treasurer's Office to organize a bi-annual half day "Cross-Sector Climate Finance Coordination Meeting" that is available to the public to watch via livestream.

Recommendation #2: Coordinate climate infrastructure financing technical assistance discussions to reduce costs and identify barriers to effective implementation in a way that complements Recommendation #1.

Recommendation #3: Establish a Resilience Implementation Strategy Initiative Task Force.

**Recommendation #4: Establish a credit facility for up to 2.5 percent of the average daily cash balance of the State to augment existing climate infrastructure and resilience lending facilities.**

Recommendation #5: Complete further study of potential Green Bank models across the United States and the potential applicability of elements of these models in Vermont.

Recommendation #6: Identifying the CAO as the climate infrastructure financing and resilience investment information clearinghouse.

Recommendation #7: Ongoing assessment of equity.

Recommendation #8: Establish an Elective Pay Working Group to improve coordination, understanding, and access to these funds for Vermont municipalities and non-profits.

## **Recommendation #4 - H.586**

**Recommendation #4: Establish a credit facility for up to 2.5 percent of the average daily cash balance of the State to augment existing climate infrastructure and resilience lending facilities.** The Treasurer has the authority to leverage up to 10 percent of the average daily cash balance of the State, subject to written guidelines adopted by the Treasurer. This 2.5 percent allocation would come in the form of a low interest loan to an entity or entities well established in providing green-infrastructure lending programs and could enhance loan-loss capacity for this purpose. This approach complements efforts to secure Federal funding, with the low-interest loan readily available to increase the recipient's financial flexibility in the near-term.

**Language replacement suggestion for “Climate Infrastructure and Resilience Fund”.**