

Testimony to VT House Committee on Natural Resources & Energy Provided by Stephen Geller, Apr 17, 2015

Good morning. My name is Steve Geller, Executive Director of Southeastern Vermont Community Action (SEVCA), one of 5 Community Action Agencies (CAAs) in VT, and the President of their statewide association, the Vermont Community Action Partnership (VCAP).

The VT CAAs offer a wide range of programs to help Vermonters with low incomes cope with and lift themselves out of poverty, including Crisis Fuel Assistance, Homelessness Prevention, Rapid Re-Housing and other Housing Assistance, Weatherization, Home Repair, Head Start and child care, Community Economic & Workforce Development, Job Readiness and Training, Financial Fitness, Asset Building, Food & Nutrition, Transportation, and many other services.

In that capacity, the CAAs are excited to be part of the Energy Independent Vermont's coalition and campaign to enable Vermont to take a meaningful step toward addressing the issues related to global warming. This problem already affects all of us, and the effect will continue and worsen unless we do something to resolve it. And as with so many other problems, it will hit residents with lower incomes hardest because they have the fewest resources to cope with it. Because of that, VT's CAAs are in support of the need for and the concepts of a Carbon Pollution Tax, and look forward to being involved in the development of a finished bill that addresses all the relevant issues effectively.

Representing the VT CAAs, our most significant concern, and major contribution to this campaign, doesn't lie in the technical aspects of carbon pollution and its impact on climate change and consequently the state of our planet and the health and well-being of the creatures living on it. Commensurate with our anti-poverty mission, the CAAs are largely concerned with the impact that carbon pollution will have most particularly on families and individuals with limited incomes and resources, as well as the impact that a carbon pollution *tax* could have on their financial well-being. What we bring to the table is the experience and knowledge that can help to forge a bill that will create the means to reduce Vermont's carbon pollution but not cause disproportionate hardship on the low-income Vermonters least able to absorb its financial impact.

Don't be mis-led into thinking that just because low-income Vermonters spend a greater share of their income on fossil fuel energy than more affluent residents, that's a reason to avoid pursuing the solutions that are needed, including this kind of policy. We won't be doing them any favors by putting off the inevitable need to address this problem, and the longer we wait to deal with it, the worse the ultimate negative impact on them will end up being in the future. The best approach is to roll up our sleeves and deal with it in a way that acknowledges and adjusts for the higher financial burden that low-income households could experience if it's not dealt with wisely.

The increased frequency and severity of extreme weather like Tropical Storm Irene and Superstorm Sandy is widely viewed by scientists as an inevitable consequence of global warming. In Vermont, Irene created widespread devastation, but beyond the overall impact on a large portion of our population:

- Low-income families in flood zones and mobile homes, and the elderly and disabled on fixed incomes suffered the most;
- They often didn't have the needed insurance, lacked the savings, and didn't have the resources to get back on their feet; and
- A shocking number have still not recovered fully from the impact.

Low-income residents are also most affected by dependence on fossil fuels, in the following ways:

- Without the credit or cash reserves to pre-buy at the lowest rates, they often pay the highest prices for their heating fuel;
- They live in the oldest, least-energy-efficient homes, so they never have enough money to heat them adequately and therefore are at higher risk for hypothermia, stroke, heart attack, asthma and other health issues;
- They drive some of the oldest, biggest gas guzzlers most in need of repair; and
- They're often the last to benefit from new cost-saving technology like electric vehicles and renewable energy.

In light of the above, it's important not only that all Vermonters, including those with low incomes, be part of the solution presented in the proposed pollution tax, but also that no one suffer undue hardship paying it. To a large extent, that will happen from the provision that most of the tax will come back to taxpayers in the form of an income-based tax credit.

But because low-income families are already penalized unfairly by having the highest energy burden, the VT CAAs' involvement in the campaign will help to ensure that the EIV proposal takes this into account in two important ways, by:

- Mitigating what would otherwise be the disproportionately harmful effects of the tax on low-income residents; and by
- Using a portion of the tax revenue to provide sustainable funding for programs that help reduce low-income households' dependence on fossil fuel, including most notably the Low-Income Weatherization Assistance Program.

It's time (really, way past time) to take action; and this proposal is the right action for Vermont to take. It will help reduce our dependence on fossil fuels – thus helping to increase our level of energy independence and decrease the risk of potential climate disaster for all of us – while at the same time protecting the most vulnerable Vermonters from shouldering an unfair share of the burden. For those reasons, the Vermont Community Action Partnership and the Vermont Community Action Agencies are strong supporters of Energy Independent Vermont's pollution tax proposal.

I am most grateful to this committee for giving me the opportunity to speak on this critical issue, and greatly appreciate the attention you've paid to this and many other matters related to the wise use of energy. I urge you to give serious consideration to the concept of a carbon pollution tax and I and the other VT CAA staff look forward to working in partnership with you to address this vital challenge in the most effective and sensitive manner possible.