

VPIRG Testimony on FY20 budget to The Senate Committee on Appropriations

April 16, 2019

Good afternoon. My name is Ben Edgerly Walsh, and I run the climate and energy program for VPIRG. Thank you for the opportunity to testify.

As an organization dedicated to cutting Vermont's carbon pollution, growing Vermont's economy, and ensuring that all Vermonters can be part of the transition to clean energy and efficiency, I want to outline our requests for the climate package in the FY20 budget. I also want to note that we are joined in supporting this package by two dozen other organizations, including low-income, business, health, faith, and environmental organizations, some of whom you are also hearing from today.

While there are other worthy potential components of a climate package in the budget, in our view the two core components of such a package should be:

- \$5.5 million in additional funding for low and moderate income weatherization, and
- \$4.5 million in funding for an electric vehicle incentive program

The budget, as passed the House, when combined with other legislation the House has sent you, moved in the direction of having a strong climate package – though there is clearly more work that we hope the Senate will do to strengthen it.

Both of these proposals, or ones very similar to them, were also made by the Governor's Climate Action Commission.

Weatherization:

Weatherization creates jobs, saves Vermonters millions of dollars every year, makes homes healthier and more comfortable, and is a foundation of our state's comprehensive energy plan.

The governor's Climate Action Commission recommended doubling the Low Income Weatherization Program's \$9.5 million in annual funding. We support a similar goal – doubling the number of homes of Vermonters who are low or moderate income weatherized each year from 2,000 to 4,000.

By dedicating a portion of the increased funding to Vermonters who are of moderate income, these dollars can be stretched further. Doing so will also fill a gap in weatherization services, as Vermonters between 80% and 120% of median income are ineligible for the Low Income Weatherization Program, and are unlikely to be able to weatherize their homes with the other modest incentives currently available.

Our coalition's estimate of the additional, annual funding needed to accomplish this is roughly \$11 million. We recognize that as we are proposing an ongoing expense, that should come with dedicated annual revenue, and that goes beyond the purview of this committee. I will say that we saw the revenue raised by H.439 as a step in the right direction, though I would also describe both VPIRG and the rest of the coalition as generally agnostic as to the right funding source to enable this

expansion – as long as that source creates new revenue, and does not reduce funding for other worthy programs.

In FY20, we request that in addition to reauthorizing funding for the Low-Income Weatherization Program and supporting the Community Action Agencies' asks in that regard, you also allocate an additional \$5.5 million to programs providing weatherization services to Vermont households that are low and moderate income, in the breakdown provided in my written testimony:

- No less than 35 percent to the low income Home Weatherization Assistance Program.
- No less than 40 percent to programs for 60-120 percent of HUD area median income.
- No less than 5 percent to affordable multi-family housing development assisted through 3E Thermal.
- Up to 10 percent for existing market-rate thermal conservation measures
- Up to 10 percent for workforce development and marketing for people up to 120 percent of area median income.

Electric Vehicles:

Over roughly the past nine months, the Attorney General has announced settlements with Volkswagen, Fiat Chrysler, and Bosch related to auto emissions, totaling \$4.5 million.

With these settlements stemming from deceptive practices and pollution in the transportation sector, we ask that you put this money to work advancing electric vehicles, undoing some of the damage done by these scandals and helping provide a path to clean transportation in our state.

Specifically, we ask that you:

- Allocate \$4.5 million in FY20 for the creation of an EV incentive program managed by the Clean Energy Development Fund. This would both expand the \$1.5 million sent to you by the House and redirect it from VTrans to the CEDF, which has a proven track record with such incentive programs.
 - o We also request that you direct the CEDF to work with the Community Action Agencies to use up to one third of these funds for a pilot program serving low income Vermonters that would include used hybrid vehicles as well.

I want to thank you again for the opportunity to testify. We understand, and appreciate, that there are other worthy climate expenditures and initiatives the Senate is considering. For the budget specifically, the two proposals I described are the key next steps on climate from our perspective. Not sufficient to put Vermont on track to meet its climate commitments, to be sure, but essential steps that can be taken this legislative session.

Thank you in advance for your consideration of these requests.