CONGRESSIONAL BRIEFING
Justice40
The Path Forward for the Administration’s Environmental Justice Initiative

Materials will be available at: www.eesi.org/040822climatechange
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Friday, April 08, 2022
About EESI...

NON-PROFIT
Founded in 1984 by a bipartisan Congressional caucus as an independent (i.e., not federally-funded) non-profit organization

NON-PARTISAN
Source of non-partisan information on environmental, energy, and climate policies

DIRECT ASSISTANCE
In addition to a full portfolio of federal policy work, EESI provides direct assistance to utilities to develop “on-bill financing” programs

SUSTAINABLE SOCIETIES
Focused on win-win solutions to make our energy, buildings, and transportation sectors sustainable, resilient, and more equitable
Policymaker Education

Briefings and Webcasts
Live, in-person and online public briefings, archived webcasts, and written summaries

Climate Change Solutions
Bi-weekly newsletter with everything policymakers and concerned citizens need to know, including a legislation and hearings tracker

Fact Sheets and Issue Briefs
Timely, objective coverage of environmental, clean energy, and climate change topics

Social Media (@EESIOnline)
Active engagement on Twitter, Facebook, LinkedIn, and YouTube
The Path Forward for Justice40

EESI Briefing, April 8, 2022
Raya Salter, Esq.
The Energy Justice Law & Policy Center, or EJLPC, is the nation's first energy justice public interest law firm and justice center. Making the connection between people and power.

www.ejlpc.org
Established by Executive Order 14008 (January, 2021) which requires, among other things:

- CEQ, the Office of Management and Budget, and the National Climate Advisor to "publish recommendations on how certain Federal investments might be made toward a goal that 40 percent of the overall benefits flow to disadvantaged communities,"
- CEQ to create a geo-spacial Climate and Economic Justice Screening Tool, and
- OMB, CEQ and other agencies to publish an annual *Environmental Justice Scorecard* detailing agency environmental justice performance measures by **February, 2022**.
What is Justice40?

Executive Order 14008 created, among other things:

- the White House Environmental Justice Interagency Council (Chaired by the Chair of the CEQ), and
- within the EPA, the White House Environmental Justice Advisory Council, or WHEJAC.

J40 was designed to be part of a whole of government approach to deliver environmental justice.
In 2019, grassroots activists won the Climate Leadership and Community Protection Act, which requires that a goal of 40 percent of climate spending be directed to "disadvantaged communities" as identified by environmental justice advocates (including race as an indicator).
J40 is part of a long tradition of civil rights pushes for equitable investment by presidential executive order.

1941: A. Phillip Randolph lobbies Roosevelt to ensure Blacks would participate in WW2 jobs, resulting in EO 8802.
J40 Timeline

Jan, 2021
Executive Order 14008

May, 2021
WHEJAC Interim Final Recommendations

Jul, 2021
OMB Interim Implementation Guidance

Feb, 2022
CEQ Tool Launched; J40 Report Card Due (Deadline Passed)

Present

Nov, 2021: BIL

BBBA?
Congressional Interventions

Natural Resources Committee
Environmental Justice for All Act (introduced)

Committee on Oversight and Reform
- Federal Agency Climate Prep Act (introduced)
- J40 Oversight requests to the Government Accounting Office*
- BBBA language for J40 oversight funding ($25M for OMB and $25M for GAO)**

**H. R. 5376, Reconciliation Bill at Sec. 80005, 80006 (passed House).
Important Issues Remain

- Defining "benefits" to "disadvantaged communities" considered deeply problematic; advocates have pushed for a "dollars spent" metric (as is being used in New York) - also "40 percent" of what?

- The failure to use race as an indicator in the CEQ tool has been sharply criticized by advocates - multiple tools in development across agencies.

- The Report Card deadline has passed; unclear what the status of J40 is within the administration (key resignations in the administration).

- Advocates are concerned that the potential harms done by BIL and potentially BBBA ("false solutions") could outweigh the benefits.
The Path Forward for J40

- Advocates are growing increasingly frustrated and:
  - want a full accounting of current spending, in depth plans for interagency and state coordination,
  - are demanding extensive outreach and investment into community-based infrastructure to absorb investments with community-driven projects, and
  - are organizing to ensure communities can have a say in funding decisions (state bills introduced, for example, in CT) and,
  - are organizing against "false solutions."

- Look for the release of the scorecard.

- Congressional action and advocacy can be impactful as we look towards BBBA and any further Executive Orders/Revisions.
Thank you!

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IG: @ClimateAuntie
Policy Considerations to Improve the Effectiveness of Targeted Clean Energy Investments

CARLA WALKER, US DIRECTOR OF ENVIRONMENTAL JUSTICE & EQUITY, WORLD RESOURCES INSTITUTE

SOURCE: Unsplash
KEY MESSAGES

• Federal investment mechanisms and programs *currently exist* which can contribute to an equitable clean energy transition.

• Bringing *greater* equity to the energy system and reducing GhG emissions is not just about spending, but spending justly and effectively.

• Targeted investment would *benefit* from complementary federal policies designed to help ensure the intended outcome.

Image Source: Unsplash
## CURRENT TARGETED SPENDING AND ENERGY EQUITY ISSUES

<table>
<thead>
<tr>
<th>Form of Targeted Spending</th>
<th>Sample Program</th>
<th>Primary Energy Equity Issues Addressed (energy burden, clean energy access, and clean energy employment or workforce training)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct payments to individuals</td>
<td>Weatherization Assistance Program</td>
<td>Energy burden, clean energy access</td>
</tr>
<tr>
<td></td>
<td>The Nonbusiness Energy Property Tax Credit (25C)</td>
<td>Energy burden, clean energy access</td>
</tr>
<tr>
<td>Formula grants</td>
<td>State Energy Program</td>
<td>Clean energy access</td>
</tr>
<tr>
<td></td>
<td>Workforce Innovation and Opportunity Act Grants</td>
<td>Clean energy employment or workforce training</td>
</tr>
<tr>
<td>Project-based grants, loans, and guarantees</td>
<td>Single Family Housing Repair Loans and Grants program</td>
<td>Energy burden</td>
</tr>
<tr>
<td></td>
<td>Electric Infrastructure Loan and Loan Guarantee Program</td>
<td>Clean energy access</td>
</tr>
<tr>
<td>Technical assistance and training</td>
<td>Office of Indian Energy's technical assistance program</td>
<td>Clean energy access</td>
</tr>
<tr>
<td></td>
<td>The Equity in Energy Initiative</td>
<td>Clean energy access, clean energy employment or workforce training</td>
</tr>
</tbody>
</table>
Recommendation #1:

Review existing forms of directed federal spending and programs for their suitability to address energy inequity through targeted investment, improve them, and extend resulting enhanced targeting methods to other federal investment.
SUPPORTING AND LEADING DATA COLLECTION & PROJECT MONITORING

• Data collection and reporting can also be an important part of accountability and measuring the reach, efficacy, and equity impact of clean energy spending.

• Three areas for improvement:
  – Completeness
  – Engagement & Access
  – Granularity
Recommendation #2:

Cultivate metrics, reporting requirements, qualitative and quantitative data sources, and analysis grounded in the experience and input of target households and communities.
• Advances appropriate place-based solutions.
• Increases access to and more effective utilization of funds for frontline communities.
• Creates better outcomes for equity-focused programming.
Recommendation #3:

Build the capacity of states, local governments, community groups, and other representatives of communities that have been historically disadvantaged to lead on co-creating opportunities, applying for federal funds, and engaging with or implementing programming.
Inclusive stakeholder engagement is a prerequisite for clean energy investment that reaches communities whose energy needs are underrepresented in or excluded from traditional policy development.
Recommendation #4:

Incorporate advance planning, community-led project design, and funding for robust, inclusive, respectful, culturally sensitive, and intentional community partnership.
While racial and gender diversity differs by sector, there is an apparent lack of gender diversity across all clean energy sectors and a lack of racial diversity in some sectors.

A solar industry survey found that only 26 percent of the workforce identified as women in comparison to 47 percent in the broader national workforce. The solar industry also has higher than average wage gap and nationally consistent, but dismal, representation of women and people of color in leadership positions.

Source: DOE et al., Solar Foundation
**Recommendation #5:**

Require jobs created through federal spending to meet wage standards, protect the right to organize, enforce anti-harassment and antidiscrimination protections, encourage local hiring and engaging minority-owned and women-owned businesses, and train and equip currently underrepresented members of the clean energy workforce to capitalize on new opportunities in the sector.
INCLUSIVE FINANCING

Prioritize and integrate the needs of frontline communities across clean energy financial incentives like:

• On-bill investment
• Community solar and virtual net metering

Image Source: Unsplash
Recommendation #6:

Support inclusive financing approaches to deploy clean energy and energy efficiency in low-income communities; Black, Latino, and Indigenous communities; as well as other communities of color.
THE ENERGY SYSTEM IS INEQUITABLE...

- Costs and benefits are not distributed equitably in the U.S. energy system.
- Without thoughtful intervention, the benefits of federal clean energy investment will not be spread equitably.
- Energy system inequities are tied to a sociopolitical context that prioritizes some (based on factors like income, race and ethnicity, geography, and gender), while marginalizing others.

Image Source: Unsplash
BUT IT DOES NOT NEED TO BE.

- Federal policy and targeted spending is positioned to have an impact on energy burden, clean energy access, and clean energy employment.
- Delivering the benefits of a clean energy transition to those who are usually marginalized, and disadvantaged, is a stated priority of the federal government.
THANK YOU

Carla Walker (carla.walker@wri.org)
Making Justice40 a Reality for Frontline Communities

Lessons from States’ Climate and Clean Energy Investments

Colleen Callahan, Silvia Gonzalez and Dan Coffee, UCLA
JR DeShazo, University of Texas at Austin
Core Advisors

- **Dr. Ana Baptista**, The New School; Equitable and Just National Climate Platform
- **Helen Chin**, Communities First
- **Cassia Herron**, Kentuckians For The Commonwealth
- **Mark Magaña**, GreenLatinos
- **Jacqueline Patterson**, The Chisholm Legacy Project
- **Dr. Nicky Sheats**, Kean University; Equitable and Just National Climate Platform
- **Dr. Sacoby Wilson**, University of Maryland; National Environmental Justice Advisory Council
- **Miya Yoshitani**, Asian Pacific Environmental Network; White House Environmental Justice Advisory Council
1. Why Justice40?

2. Who and where to target equitable investments?

3. How to operationalize effectively and equitably?

4. Where to get the funds, equitably?

5. What are powerful program models?
<table>
<thead>
<tr>
<th>State</th>
<th>WA</th>
<th>VA</th>
<th>NY</th>
<th>MD</th>
<th>IL</th>
<th>CA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment minimum % for disadvantaged communities</strong></td>
<td>40% target and 35% min. Plus additional 10% for tribal communities</td>
<td>No</td>
<td>40% target and 35% minimum</td>
<td>Act states intent to prioritize but no specificity</td>
<td>Carve outs for low-income communities</td>
<td>35% investment minimum</td>
</tr>
<tr>
<td><strong>Equity benefits / strengths</strong></td>
<td>Package of laws to phase out fossil fuels passed with diverse coalition including tribes</td>
<td>Creates program to reduce energy burden for low-income customers</td>
<td>Most equity centered law as a result of justice advocates</td>
<td>Screening tool and just transition/worker elements</td>
<td>Strong worker provisions. Led by IL Clean Energy Jobs Coalition</td>
<td>Over $4 billion invested in and benefiting EJ communities</td>
</tr>
</tbody>
</table>
WHY JUSTICE40?

JUSTICE40 DESIGN: Guiding principles toward a just economy and society for all

JUSTICE DRIVEN
Resource and center disadvantaged communities.

COMMUNITY POWERED
Achieve transformational change from the bottom up.

ACCOUNTABLE CHANGE
Institutionalize equity and justice into government agency practices, policies, and systems.
WHY J40?

Disparities hinder an equitable, sustainable future

- **Pollution & health impacts**
  
- **Impacts of climate change**
  
- **Limited local government & community capacity**
  
- **Impacts on fossil fuel workers**
  
- **Uneven costs and benefits in transition to clean energy**

**OPPORTUNITY:**

Learn from states addressing disparities through their own climate and clean energy investments

- Ex: NY
- Ex: VA
- Ex: CA
- Ex: IL
- Ex: WA
HOW TO OPERATIONALIZE?

Summary of Recommendations for State Guidelines

● Establish a **40% investment minimum** (requirement not a goal, floor not a ceiling) for **direct investments** (rather than counting trickle down benefits)

● Set clear guidelines and processes to give frontline communities agency in local investments and ensure that investments do no harm.

● Establish strong guardrail to ensure Justice40 objectives are achieved.
Thejustice40.com
ccallahan@luskin.ucla.edu
THANK YOU
EESI Briefing
Justice40

Donele Wilkins, Founder/CEO
Mission

• The Green Door Initiative (GDI) works to ensure that every person is environmentally literate capable of practicing and promoting a sustainable lifestyle.
Justice 40 Accelerator Project

Create Jobs in the Community
Workforce Development
Manufacture Solar Panels
Install Solar Panels on Low Income Houses
Maintain Solar Panels
Need for a Proactive Strategy

Residents Will Apply for FEMA After Metro Detroit Flooding

Mitigation, Adaptation and Resiliency
Climate Justice

- Energy Insecurity
- Renewable Energy
- Extreme Weather Events
The Case for Renewable Energy
313 Solar, IIC
Solutions

Improving Health Outcomes
• Reduce asthma, lead poisoning, household and environmental hazards

Create Local Power
• Develop pathways to community empowerment and wealth

Employment Opportunities
• Creation of 200 jobs
It’s Time for Big and Bold Investments
(photo credit: Detroit URC)
An Opportunity

To Make Renewable Energy an Option for All
• MANUFACTURING NEXT-GENERATION PHOTOVOLTAIC PANELS
• MANUFACTURING ONBOARD COMPUTER CONTROLLERS FOR SOLAR PANELS
• MANUFACTURING JUNCTION BOXES FOR SOLAR PANELS
• INSTALLING SOLAR PANELS
THE PROMISE

- Creation of quality green manufacturing and construction jobs
- Stimulation of local economic growth
- Decarbonization
- Helping the city & county achieve carbon reduction mandates
- Achieving environmental justice goals
COMPETITORS

{COMPETITORS ARE ALL FOR-PROFIT ASSEMBLERS}

NO OTHER NON-PROFIT MANUFACTURERS OF SOLAR PANELS IN MICHIGAN
Workforce Development

Prepare Underrepresented residents of Detroit to restore the environment and advocate for environmental justice!
What did you think of the briefing?

Please take 2 minutes to let us know at: www.eesi.org/survey

Materials will be available at:
www.eesi.org/040822justice

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