To: Biden-Harris U.S. Department of Energy –

Agency Review Team

From: National League of Cities

Re: Policy Areas Important to America's Cities,

Towns and Villages

Date: January 14, 2021



As the voice of America's cities, towns and villages, representing more than 200 million people across the country, the National League of Cities (NLC) looks forward to working with the Biden-Harris Administration and with the team at the U.S. Department of Energy (DOE) to develop and implement a sustainable energy policy that is reliable, equitable and environmentally responsible.

City leaders have been at the forefront of efforts to encourage energy conservation, improve energy efficiency and invest in renewable energy in their communities. Importantly, these technologies and investments also create jobs and grow the local and national economy. These actions result in actual financial savings for residents and communities and build preparedness for future natural disasters.

NLC looks forward to serving as both a resource and partner with DOE in meeting our mutual goals. Together, we can improve the environment, boost the economy and improve the quality of life in our communities. As cities, towns and villages look to partner with the Biden-Harris Administration in the first 100 days and beyond, we hope that the following local government priority areas will be taken into consideration:

Direct Fiscal Relief to Cities, Towns and Villages

Cities are the engine of our nation's economy and essential to America's economic recovery. From infrastructure like roads and water to parks and open spaces, cities, towns and villages create the conditions that drive new business, spur innovation, and attract talent and investment. However, America's communities are hurting. As the findings of NLC's 2020 City Fiscal Conditions report reveals, America's cities are experiencing the fiscal consequences of the coronavirus pandemic-downturn at an unprecedented speed – and like recent recessions, it will take years for municipal budgets to recover from the impact of COVID-19. Cities, towns and villages across the country need direct fiscal relief to communities of all sizes to ensure that essential city services and important community-anchoring programs can remain in operation. NLC's latest survey data of over 900 cities, towns and villages found that 71% believe their government's condition will worsen if Congress doesn't pass another stimulus.

Regular Communication with Stakeholders and Commitment to Federalism

Local leaders are committed to intergovernmental partnership, through federalism, requiring a cooperative partnership among local, state and federal governments that must be strengthened through all levels of government. Local leaders look forward to working collaboratively with the Biden-Harris Administration and in a manner that recognizes the importance of a federal-local partnership. We hope DOE will continue to host regular stakeholder meetings and have open conversations and dialogues with local officials and national organizations, such as NLC, on ongoing and emerging issues and priorities.

While the federalism consultation under Executive Order 13132 can be improved, it is an essential component of the intergovernmental process, and local elected officials value the opportunity to provide direct input into the rulemaking process before rules are even drafted. This early feedback and input helps the federal government develop rules that are effective,

reasonable and implementable at the local level. Local officials can provide an important perspective on ensuring that rules offer local flexibility, avoid a "one-size-fits-all" approach and avoid an unfunded mandate. We continue to urge the federal government to listen to and consider the perspective of local governments early and often during the rulemaking process.

Commitment to Racial Equity and Environmental Justice

The coronavirus pandemic <u>exposed the inequities</u> that long existed in communities, particularly in our Black, Indigenous, Latin/Hispanic and other communities of color, which are often the areas most affected by flooding, extreme heat, poor air quality, unsafe drinking water and contamination from industrial sites.

The impacts of climate change and extreme weather events pose an especially pressing threat to persons with disabilities, economically disadvantaged households, the elderly, Black, Indigenous and People of Color (BIPOC), and other vulnerable populations.

As local leaders look to reimagine government policies, procedures and processes to build more equitable communities, NLC's Race, Equity And Leadership (REAL) department helps city, town and village leaders strengthen their knowledge and capacity to learn about the impact of historical inequities and design programs that dismantle structural and system racism. NLC aims to achieve this goal by centering racial equity in our all our work including our direct technical assistance and research. NLC calls on the federal government to prioritize federal investments in communities that have been left behind, specifically our BIPOC communities, which have been disproportionately impacted by the effects of COVID-19, climate change and historical policies and underinvestment.

Advance Climate Change Mitigation, Adaptation and Community Resilience

Cities across the country are seeing the effects of climate change and are taking action to mitigate the impacts of extreme weather events on their residents and businesses. With heat waves, droughts, wildfires, increased precipitation, more frequent and severe floods and hurricanes, communities need to be able to anticipate, prepare for and adapt to these events. Extreme weather can cost local, state and federal governments trillions of dollars and severely impact local and regional infrastructure, the economy, public safety, public health, natural landscapes, environmental quality and national security.

This year, as communities struggled to maintain services and essential workers during the pandemic, they simultaneously faced a record number of climate-related disasters, such as wildfires, extreme heat, and hurricanes, which further increased fiscal pressure on local governments, residents and businesses.

With 30 named storms, 2020 was a record year for Atlantic hurricanes. 2020 also marked the most active fire year on record for the West and was the hottest summer on record for many cities. In 2019 historic flooding hit the Midwest and southern plains significantly affecting agriculture, roads, bridges, levees, dams and other infrastructure, assets and industries.

Budgetary concerns are <u>delaying large-scale climate resilience projects</u> in cities such as New York, San Francisco and Miami Beach. On the other hand, cities such as Chico, CA, Phoenix and Los Angeles have expressed a <u>commitment to green recovery</u> plans and programs. With an influx of federal support, smaller and mid-sized cities could follow suit.

Local leaders are taking action on climate change because local governments are first responders on the front lines of delivering services and protecting residents. Local elected

officials are entrusted with the stewardship of taxpayer dollars and know that the cost of prevention pales in comparison to the cost of inaction — in terms of dollars, property and human life. Moreover, improving energy efficiency and investing in renewable energy makes good economic sense for residents, businesses and communities. While cities are prepared to forge ahead on these initiatives and actions, we urge the federal government to be a partner in these efforts in support of our economy and to build resilient communities. Programs and initiatives within the DOE Office of Energy Efficiency and Renewable Energy are critical to supporting local efforts and building community resilience by strengthening and modernizing energy infrastructure to withstand the impacts of climate change.

Recommendations for Administrative and Congressional Action:

- Take urgent action to reduce greenhouse gas emissions across a broad sector of the economy, including energy production and consumption, and become carbon neutral to mitigate the effects of climate change and hold warming to 1.5°C.
- Pass a national renewable portfolio standard that increases the use of carbon neutral energy and promotes energy efficiency, with the goal of 50 percent carbon neutral energy by 2030 and 100 percent by 2050.
- Pass a long-term extension of the investment tax credit and the production tax credit for renewable energy as an incentive for their development and deployment. (Treasury)
- Reauthorize and fully fund the Energy Efficiency and Conservation Block Grant to further incentivize clean energy at the local level and provide robust funding for the Weatherization Assistance Program and State Energy Program.
- Support local government efforts to establish residential and commercial Property
 Assessed Clean Energy (PACE) programs as an innovative financing solution that helps
 property owners finance energy efficiency and renewable energy improvements.
- Develop regulations and incentives that would improve the energy and water efficiency of appliances and equipment for industrial, agricultural, commercial and residential consumers (i.e., showerheads and clothes washers).
- Offer incentives for acquisition of zero- or low- emission vehicles, such as natural gas or electric vehicles, including for public transportation and municipal fleets, and for public and private entities to install electric vehicle infrastructure.
- Promote and support improvements to the electrical grid, including capabilities and incentives for smart metering, support for large scale distributed generation, and construction of long distance renewable energy transmission capabilities.
- Offer training and financial assistance to state and local governments to adopt and enforce building codes that implement energy efficiency gains.
- Pass energy efficiency and conservation legislation to incentivize energy efficiency improvements in residential and commercial buildings, schools and federal buildings located in communities.
- Rejoin the Paris Climate Agreement.
- Provide financial and technical assistance to support local government vulnerability assessments and climate change mitigation and adaptation implementation efforts.
- Establish a national climate service to communicate changes and impacts and provide critical time-sensitive information to local governments and the public, as well as longterm climate change information.
- Require consideration of climate-related risks and vulnerabilities as part of all federal policies, practices, investments, regulatory and other programs.

NLC's Work with Cities

The <u>Leadership in Community Resilience (LCR)</u> grant program supports and enhances local capacity among elected leaders and staff, communities and community-based organizations as they pursue coordinated climate resilience efforts. In addition to providing direct assistance to cities, the program gathers new insights related to the challenges and opportunities associated with local resilience initiatives. NLC is sharing the lessons learned with cities throughout the United States. Since 2017, 33 cities have participated in the LCR program.

Additionally, NLC supports local solar energy leadership and is a proud partner of SolSmart, a national designation and technical assistance program funded by the U.S. Department of Energy Solar Energy Technology Office. SolSmart promotes the use of best practices by local governments to ensure greater ease and affordability for residents and businesses to install and access solar energy. SolSmart's no cost technical assistance is an invaluable resource for local governments interested in promoting solar energy deployment within their community. To date, the SolSmart program has designated nearly 400 communities across the United States.

Appendix

NLC's <u>Leading Together Cities Agenda</u> reflect the local government priorities for the Biden-Harris Administration. The <u>Building Sustainable Infrastructure</u> pillar includes community resilience.

NLC <u>comment letter</u> to the Council on Environmental Quality on the proposed rule to update the regulations implementing the procedural provisions of the National Environmental Policy Act (March 10, 2020)

NLC comment letter to the House Select Committee on the Climate Crisis (November 18, 2019)

NLC <u>letter of support</u> for reauthorization of the Energy Efficiency and Conservation Block Grant (May 9, 2019)

NLC <u>Congressional testimony</u> on how the federal government can reduce unfunded mandates and unnecessary regulatory burdens on local governments and how the Federalism consultation process can be improved (April 26, 2017)

NLC is participating/participated in the following legal cases:

- New York v. EPA
- West Virginia v. EPA

NLC resources for cities, towns and villages to respond to and recover from the coronavirus pandemic:

- Emergency Preparedness Amidst COVID-19
- COVID-19 Local Response Principles