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Climate change: the

Maryland Localities Can Act Now to Secure Historic Federal Funding for Economic Recovery, Climate Change, and Disadvantaged and Underserved Communities

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Historic levels of federal transportation and energy funding are now available to Maryland localities under the 2021 Infrastructure Investment and Jobs Act (IIJA) to address economic recovery, climate change, and support for disadvantaged and underserved communities. An estimated \$7 billion¹ of funding will be available to Maryland through dedicated state formula funds and additional funding through competitive grants. Nationally, another \$500 billion in incentives could flow through climate change provisions in the Build Back Better (BBB) legislation before Congress that Maryland can access.

Never has such funding been available -- or more badly needed. To capture it, Maryland cities and towns can act now to identify infrastructure spending priorities that are aligned with these goals and prepare to receive technical assistance for partnership formation, grant applications, and program deployment. To accelerate this process, a special resource for Maryland local officials has been developed to enable local government representatives to begin receiving information and assistance by signing up for the one-stop-shop clearinghouse which tracks this federal funding programs. Click [here](#) to receive an invitation to register for the Climate Program Portal.

Fortunately, Maryland municipalities are in a strong position to receive federal funds if they act soon. Maryland has developed a strong enabling environment for deployment of federal funds due to a combination of past action by local and state governments, significant private sector innovation and technology growth, and new state and federal legislation that targets new investment at scale. To foster this process, the Hogan Administration has created the Governor's Subcabinet on Infrastructure to target state formula funds and cooperation with local governments.²

Economic and fiscal recovery needs drive the funding of 375 different federal programs in IIJA that cut across transportation,

energy, stormwater, and other programs. Environmental Justice (EJ) provisions in IIJA require that 40 percent of funds be directed to EJ communities. Maryland's recent Climate Solutions Now Act and new Climate Change Catalytic Fund (C3F) also requires targeting to EJ communities, as well as low and moderate income (LMI) and disadvantaged and underserved communities. Targeting of investment to these communities will be key to ensuring full access to federal and state funds.

One of Maryland's greatest opportunities to connect these dots is transportation. The sector plays a pivotal role in economic growth and equitable treatment of underserved and disadvantaged communities. It is also Maryland's and the world's largest source of greenhouse gas emissions representing 40 percent of total emissions for Maryland, 29 percent for the US as a whole, and 17 percent globally.³ Maryland municipalities can address critical transportation needs through federal funding for Electric Vehicles (EVs) and charging infrastructure for automobiles, trucks, buses, and light duty vehicles, as well as support for urban and public transportation including biking, walking, and transit improvements, bridges, and marine and airport systems. Municipalities also can benefit from energy investments for expanded weatherization and energy efficiency, expanded local wind and solar energy generation capacity, energy storage, and grid modernization as well as stormwater management and climate resilience programs.

Federal infrastructure funds for these sectors are critical to addressing the fiscal and job crisis faced by localities from the COVID-19 pandemic that left massive fiscal shortfalls. In 2021, US counties were expected to lose \$144 billion in tax revenues and face additional cost increases of \$30 billion due COVID-19, with an estimated 71 percent of revenue streams at risk, including \$16 billion in Maryland.⁴ At the state level, Maryland revenues dropped \$672 million in 2021 and are expected to

drop \$311 million in 2022⁵ and led to emergency spending cuts of \$413 million, including substantial cuts to colleges and universities.⁶

These fiscal impacts of the pandemic have been particularly harmful to disadvantaged and underserved communities and low- and moderate-income (LMI) households in Maryland's cities and towns. In 2021, the US Census Bureau found that "COVID-19 Pandemic Hit Black Households Harder Than White Households, Even When Pre-Pandemic Socio-Economic Disparities Are Taken Into Account" including disparities to housing, debt, and mental health.⁷

Health and economic impacts of the pandemic also have been uneven. In 2021, the Maryland Advisory Committee to the US Commission on Civil Rights concluded "COVID-19 has revealed glaring racial disparities and the consequences these long-standing inequities have for communities and individuals of color, whereby regardless of income, people of color and marginalized groups have limited access to the resources that are both necessary for lifelong wellness and critical during emergencies, such as quality medical services, healthy food, childcare, education, technology, and secure housing. These long-standing inequities have led to inequitable health outcomes both in Maryland and nationally."⁸

Combatting climate change is a key part of solidifying Maryland's infrastructure, economic, and equity equation. Maryland

is particularly susceptible to climate change, with 7,190 miles of shoreline;⁹ chronic sea level rise and saltwater intrusion in the Delmarva Peninsula; increasingly severe heat waves, flooding, and storms in Baltimore and other Maryland cities; disruptions to transportation systems linking Maryland's cities and suburbs; and intensified drought and flood cycles in farms and forests in Western Maryland and the Eastern Shore. An estimated 81,000 people in Maryland are at risk for coastal flooding, with another 110,000 vulnerable to extreme heat¹⁰ and projected losses of \$19 billion from property damage and the loss of 25% of all homes on the Eastern Shore by 2100.¹¹

These impacts are not spread evenly. A 2019 study by the National Academies of Science concluded that flooding, our largest kind of natural catastrophe, is most harmful to minorities, low income, marginalized and vulnerable populations.¹² A 2019 study of 175 US cities found that 97 percent of minorities live in areas with temperatures 1 degree Celsius higher than those occupied by whites, and a study of 43 countries concluded that 37 percent of all heat deaths are attributable to human induced global warming.¹³

Mark Conway, a member of the Baltimore City Council, sums up the gravity of the situation faced by Maryland cities: "Our economic shortfalls and the social disparities they create are matched only by the urgency of our health and

environmental needs and the additional disparities they create. We need solutions that address these problems jointly through innovation and holistic action in all economic sectors and communities. In Baltimore, we are leading with strong sustainable and equitable policies and programs such as our recent Net Zero emissions resolution and City Climate Action Plan and Disaster Preparedness Plan to solve these problems. But these visionary steps can only succeed with major long-term investment, and it cannot wait. Charting new policies and securing federal funds for their implementation must be top priority for all Maryland cities this year."

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¹ https://www.whitehouse.gov/wp-content/uploads/2021/08/MARYLAND_Infrastructure-Investment-and-Jobs-Act-State-Fact-Sheet.pdf and <https://www.wmar2news.com/news/local-news/7-billion-in-federal-infrastructure-money-arriving-in-maryland>

² <https://msa.maryland.gov/msa/mdmanual/08conoff/cabinet/html/infrastructure.html>

³ https://www.statista.com/topics/7476/transportation-emissions-worldwide/#topicHeader_wrapper

⁴ https://www.naco.org/sites/default/files/documents/NACo_COVID-19_Fiscal_Impact_Analysis_1.pdf

⁵ <https://www.cbpp.org/research/state-budget-and-tax/states-grappling-with-hit-to-tax-collections>

⁶ <https://www.census.gov/library/stories/2021/07/how-pandemic-affected-black-and-white-households.html>

⁷ https://www.washingtonpost.com/local/md-politics/maryland-cuts-413m-in-state-spending-but-delays-pay-cuts-for-workers/2020/07/01/a9bcd54c-bb98-11ea-bdaf-a129f921026f_story.html

⁸ <https://www.usccr.gov/files/2021/04-20-MD-SAC-COVID-19-and-Health-Disparities-Advisory-Memo.pdf>

⁹ <https://dnr.maryland.gov/ccs/Documents/MDShorelineMilesReference.pdf>

¹⁰ <https://statesatrisk.org/maryland/all>

¹¹ <https://www.baltimoresun.com/news/investigations/bs-md-suninvestigates-sea-level-20171026-story.html>

¹² National Stormwater Management Association, Seth Brown

¹³ National Stormwater Management Association, Seth Brown