Testimony of Stephen K. Benjamin Mayor City of Columbia, South Carolina

Learning from Across the Nation: State & Local action to Combat Climate Change

House Committee on Energy & Commerce Subcommittee on Environment & Climate Change

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Chairman Tonko, Ranking Member Shimkus, and members of the Subcommittee, thank you for this opportunity to testify.

Climate change is perhaps the biggest challenge we face and I am pleased that the Subcommittee is holding this hearing on state and local climate change action. As I will outline in this testimony, Mayors and cities are leading on climate change efforts, including preparing our communities and our infrastructure for its impacts. However, we cannot tackle this challenge alone. We need a strong federal partner and I hope this hearing will be the first step in the development of a climate action program that recognizes and bolsters the efforts Mayors and cities are taking to address this existential challenge.

My name is Steve Benjamin and I serve as the Mayor of Columbia, South Carolina. Columbia is the capital of South Carolina and a thriving and diverse city that is home to 134,309 people and the hub of a metropolitan area of 817,488 people. In addition to state government, Columbia hosts the nearly 50,000 students attending the University of South Carolina, Columbia College, and two historically black colleges, Allen University and Benedict College. Columbia is also the proud home of Fort Jackson, the Army's largest basic training center, which trains approximately 45,000 soldiers per year.

For the past year, I have had the honor of representing my fellow mayors from throughout the country as the President of the U.S. Conference of Mayors, the official non-partisan organization of cities with populations of 30,000 or more. At the national level, I also serve as the Chairman of Municipal Bonds for America, a coalition dedicated to the preservation of the tax exemption for municipal bonds, Co-Chair of the Sierra Club's Mayors for 100% Clean Energy Initiative, and as Past President of the African American Mayors Association.

I have been fortunate to serve in these national leadership positions at a moment when mayors and local government have attained renewed prominence and have been widely recognized as being in the forefront of public policy innovation. I am especially proud that mayors and local governments have been recognized for our leadership in addressing climate change.

As with so much of what mayors and cities do, our leadership on climate change has been pragmatic. Mayors and cities have been pragmatic because we have no choice. Climate change is already impacting our communities and testing our infrastructure. We have acted because our constituents expect us to tackle challenges and fix problems (while delivering a balanced budget on time each year).

In Columbia, we unfortunately witnessed firsthand how climate change is already impacting cities and testing our infrastructure. Over three days in October 2015, the remnants of Hurricane Joaquin stalled over central South Carolina, inundating Columbia with nearly 30 inches of rain. Hurricane Joaquin's impact on Columbia was dire, taking the lives of many precious South Carolinians.

The storm nearly wiped out the Columbia Canal, which serves our main drinking water treatment plant, ruptured dozens of water and sewer mains, closed over 100 streets, flooded one fire station and our primary fire training facility, breached multiple dams, and damaged nearly 400 homes and 60 businesses. Since then, we have had other several major rain events; though Joaquin was a "500-year" event, heavy rain events are apparently becoming the new normal. In the aftermath of Joaquin, it became clear to us that recovery, resilience, and mitigation against future storms will be costly and will require detailed local knowledge of conditions on the ground and the City's infrastructure. The 2015 floods were a call to action. However, like cities throughout the nation, the City of Columbia has been addressing climate change on several fronts for over a decade. Hurricane Joaquin led us to redouble our efforts.

In 2009, with assistance from the Energy Efficiency and Conservation Block Grant, we conducted an energy audit and implemented several of the audit's recommendations, including upgrading lighting systems, HVAC upgrades on City buildings, and installing solar panels on fire stations. These projects reduced our greenhouse gas emissions and energy consumption and saved Columbia taxpayers approximately \$337,000 per year.

In addition, one of my first priorities when I took office was to upgrade and rationalize our regional transit system to increase ridership, including successfully asking our voters to approve a penny tax dedicated to transportation, including transit. I have also built on and accelerated the efforts of my predecessor to improve pedestrian and bicycle infrastructure in Columbia, completing several streetscapes and extending and opening several trails. Combined with thousands of new units of housing in Downtown Columbia and other central Columbia neighborhoods, these efforts have set the stage for truly giving Columbia residents a meaningful option to the car, with the added bonus of a vibrant, lively and beautiful Downtown. Two years ago, Columbia took the next step, setting a target of powering our community with 100 percent clean, renewable energy by 2035.

In addition to our climate change prevention efforts, we have been actively addressing mitigation. In the wake of Hurricane Joaquin, it became clear that we had to accelerate our efforts to improve the climate resilience of our stormwater infrastructure. We bit the bullet and increased stormwater fees to fund a wide array of projects to improve our stormwater system using both gray and green infrastructure. We also issued our first-ever green bond that allowed

the City to finance upgrades and improvements to our stormwater system while protecting our environment.

We have worked hard in Columbia, as have cities throughout the nation. But I am here today to tell you that Mayors and cities cannot tackle this challenge alone. We need a strong federal partner. Local governments collect approximately 15 percent of our nation's tax revenue. With that 15 percent, we are expected to deliver an array of core governmental services that many of us take for granted but are the foundation of modern, civilized society: education, streets, sidewalks, alleys, water, sewer, transit, parks, recreation, and much more. We cannot tackle the tasks of slowing climate change and adapting to climate change on our own.

I would point out that our call for federal action on climate change and for a strong federal partnership with state and local governments as we work to address climate change is not a new one. Indeed, I have attached to my testimony a 2007 open letter to presidential candidates signed by over 100 South Carolina mayors, including my predecessor, calling for federal leadership on climate change. That letter was signed by mayors of South Carolina's largest cities, by mayors of small towns, by mayors from the Upstate, mayors from the Midlands, mayors from the Coast, Republican mayors, and Democratic mayors.

Let me share the key paragraphs of that letter:

South Carolina voters will play a central role in determining the next President of the United States. While we recognize that there are many important issues before us, one requires immediate attention: the growing threat of global warming. As South Carolina mayors, it is our duty to add our voice to the growing chorus of scientific, business, and community leaders who say the time to act on global climate change is now.

From the wooded foothills of the Upstate, to the fertile soil of the Midlands, to the pristine marshes of the Coast, South Carolina enjoys one of the richest and most diverse natural habitats in the United States. Indeed, the quality of life we enjoy helps explain why South

Carolina's population is projected to increase 27 percent by 2025. To meet the challenges of this rapid growth, our communities are quickly learning the value of efficiency and conservation as a means to save both taxpayer dollars and the environment. We are investing at the local level in more efficient municipal buildings, promoting "green fleets" in our public transportation, and educating our constituents in the value of conservation to reduce energy costs and harmful environmental impacts.

We were taking action and asking for a strong federal partner 12 years ago. Since then, the need for action has become all the more urgent. I am therefore pleased that Chairman Tonko has issued a blueprint for action, <u>A Framework for Climate Action in the U.S. Congress</u>. I am especially pleased that the framework puts local government front and center, specifically calling for a program that *empowers state and local governments* and *strengthens community resilience*. I am also pleased that the framework specifically recognizes efforts that state and local governments have already taken and calls for *avoiding harm to first movers*. In addition, I share the other priorities outlined in the framework, including creating a strong, fair, and competitive clean economy, protecting low-income households, and delivering a just and equitable transition to a clean economy.

In January, the Conference of Mayors released its own <u>Mayors Call for Climate Action</u> that is included as an attachment. I would respectfully suggest some of our specific proposals provide Congress a way to flesh out and implement Chairman Tonko's framework in a manner that would help Mayors and cities meet the climate challenge. Many of these proposals could be implemented and produce results quickly while Congress debates a larger package or comprehensive climate strategy:

- Reauthorize and fully fund the *Energy Efficiency and Conservation Block Grant* in FY 2020 and beyond;
- Establish and implement national greenhouse gas emission reductions by 2030;

- Adopt an *aggressive national renewable portfolio standard* and provide incentives for electric utilities, including municipal electric utilities, to *invest in clean and renewable energy*;
- Direct EPA to maintain and Improve the Corporate Average Fuel Economy (CAFE) standards;
- Provide incentives to the energy sector to ramp up *research and investments in renewable energy* to expand electric generation, and research to capture and reduce carbon emissions from clean energy;
- Modernize the nation's *electric utility grids*;
- Prioritize transportation funding to help metropolitan areas and local areas invest in lowcarbon, *mode-neutral transportation options via increased funding for the Surface Transportation Block Grant*, including building a *national charging infrastructure*;
- Increase *funding for transit*;
- Invest in improved *intercity passenger rail*;
- Provide additional funding for the *Community Development Block Grant (CDBG)*, with the additional funding *targeted to investments in climate resilient infrastructure* in lowand moderate-income neighborhoods;
- Build on last year's reforms of federal disaster assistance programs to increase *funding for disaster mitigation*;
- Reinstate *advanced refunding for municipal bonds*; and
- Provide resources to help local governments *increase the supply of affordable and workforce housing located in proximity to jobs, education, services, and transit.*

In the paragraphs below, I expand on some of these proposals where you can help us make progress. Local governments are making progress around the country but we need your assistance.

Energy Efficiency and Conservation Block Grant (EECBG)

EECBG is probably one of the easiest and quickest ways that Congress can jump start greenhouse gas emission reduction programs. I greatly appreciate Chairman Pallone's and Speaker Pelosi's support for the creation of this program in 2007 and the funding of this program in FY 2009. Funding EECBG in FY 2020 and beyond would provide every congressional district in the nation with the resources to implement local strategies to increase energy efficiency, to further develop renewable energy sources, and to fortify local energy infrastructure, reducing greenhouse gas emissions, saving taxpayer dollars, and protecting our communities.

We often hear the cliché that there is no Republican or Democratic way to fill a pothole. I would posit that the same holds true to improving local government energy efficiency. The Energy Independence & Security Act of 2007, which authorized EECBG, enjoyed broad bipartisan support. It was enacted by a Democratic Congress and signed by a Republican President. I would hope that there continues to be broad bipartisan support for a program that helps cities reduce local government energy costs and save local taxpayers money.

Going back to that 2007 open letter that over 100 Carolina mayors sent to the presidential candidates, my predecessor, Mayor Bob Coble, made a strong argument for funding a program like EECBG:

"Efficiency and renewable energy are our 'first fuel," Columbia Mayor Bob Coble said. "Our state is one of the least energy-efficient in the country, and consequently our citizens have some of the highest electricity bills. But by investing in efficiency and our homegrown energy sources, we can embrace a clean, efficient, energy independent future."

As noted above, in the one year that EECBG was funded, Columbia used our grant to conduct an energy audit and implement several of the audit's recommendations, including upgrading lighting systems, HVAC upgrades on City buildings, and installing solar panels on fire stations. These projects reduced our greenhouse gas emissions and energy consumption and saving Columbia taxpayers approximately \$337,000 per year. Mayors across the nation have implemented similar initiatives. However, with tight city budgets, it sometimes is difficult to implement what needs to be done along with all other local priorities.

One of the great features of EECBG is its flexibility. It allows cities to target funds to a wide array of projects and programs. For example, Schenectady's needs and solutions in this area might be different from those of Columbia. In addition, EECBG allowed cities and counties to serve as the Department of Energy's final, real world test laboratory for the implementation of energy efficiency technologies and programs. I am proud that the Department of Energy's Oak Ridge National Laboratory evaluated EECBG as a significant success. With the Subcommittee's permission, I would like to submit for the record the Executive Summary of that report. I would also like to submit for the record a report prepared by the U.S. Conference of Mayors, <u>Successful City Initiatives with EECBG Funding</u>, that illustrates how effectively cities throughout the nation implemented this program in the one year Congress funded it.

National Renewable Portfolio Standards (RPS)

Many cities, including Columbia, have adopted the 100% renewable energy pledge and want to meet that goal, especially given recent reports from the National Climate Assessment and the IPCC on the earth's rapid rate of warming, a 12-20 year window for action is upon us. The U.S. Conference of Mayors has affirmed this 100% renewable energy pledge. We have also affirmed our support of the Paris Climate Agreement.

But we cannot achieve this on our own, and neither can small and medium size businesses within our communities. We need a utility sector that delivers clean energy to our overall economy and does so in an expedited manner. According to EPA's public review draft, <u>Inventory of U.S.</u> <u>Greenhouse Gas Emissions and Sinks 1990-2017</u> (EPA 430-P-19-001): "In 2017, total gross U.S. greenhouse gas emissions were 6,472.3 MMT, or million metric tons, carbon dioxide (CO2) Eq. Total U.S. emissions have increased by 1.6 percent from 1990 to 2017, and emissions decreased from 2016 to 2017 by 0.3 percent (21.1 MMT CO2 Eq.)."

While the trend is moving ever so slightly in the right direction, reduction in GHG emissions is simply not happening quickly enough or with sufficient magnitude to address and mitigate the devastating effects of Climate Change. This is especially important given the fact that a national climate strategy must include the electrification of our national transportation system, especially now that transportation is our leading source of greenhouse gas emissions.

While we have made some progress in our local efforts to shift to renewable energy and to develop renewable energy projects, it is clear we cannot do this alone or in sufficient time. A national approach is needed in the form of a renewable portfolio standard, or its equivalent.

Corporate Average Fuel Economy (CAFE) Standards

According to analysis done by the Environmental Protection Agency (EPA), the transportation sector generates the largest share of greenhouse gas emissions in the U.S., nearly 28.5 percent in 2016. Cities are taking action to reduce vehicle emissions through investments in transportation alternatives such as public transit, bicycle and pedestrian infrastructure, and electric vehicles. These efforts, however, are not enough to meet local emission reduction targets. Therefore, cities rely heavily on vehicle emission standards to help meet our emission reduction goals. The Administration's current proposal to freeze CAFE standards to 2020 levels for car models being released from 2021 to 2025 will not assist us with our efforts. Attached to my testimony is a letter jointly written by the U.S. Conference of Mayors and the National League of Cities outlining our opposition to the Administration's proposal to scale freeze CAFE standards. I encourage Congress to weigh in with the Administration regarding this freeze and ask them to reverse that position.

Surface Transportation Block Grant - Mode-Neutral Transportation Options

Over the past two years (FY 2018 and FY 2019), Congress appropriated an additional \$4 billion for the Federal-Aid Highway Program, with the funds allocated via the Surface Transportation Block Grant. Allocating these additional funds via the Block Grant meant that a portion of these funds were sub-allocated to metropolitan areas, with local elected officials empowered to allocate them to regionally-identified priority mobility projects. In addition to directing a portion of the funds to metropolitan areas, which are home to the overwhelming majority of the nation's population and economy, the Surface Transportation Block Grant provides considerable flexibility, allowing local elected officials to make mobility investment in a mode-neutral manner, including projects that help reduce greenhouse gas emissions. Directing more surface transportation resources to local official and local areas is particularly important to our climate efforts because local officials are more likely to invest in projects that provide alternatives to solo driving and highway expansion. In Columbia, we have leveraged these federal funds with a voter approved penny sales tax dedicated to transportation, including transit.

The additional increment of \$2.79 billion that Congress appropriated for the Surface Transportation Block Grant in FY 2019 meant an additional \$2.9 million that our region allocated to regional mobility priorities. In Chairman Tonko's District, the Albany-Schenectady Metropolitan Area received an additional \$1.9 million for locally identified priorities.

I urge Congress to continue to allocate any highway funds appropriated in addition to base program funds made available by the FAST Act via the Surface Transportation Block Grant. Looking ahead to reauthorization of the FAST Act, I urge Congress to increase funding for the Surface Transportation Block Grant and to increase the metropolitan area share of the program from 55 percent to 75 percent.

<u>Transit</u>

Transportation now accounts for the majority of our nation's greenhouse gas emissions. If we are going to truly tackle greenhouse gas emissions, we must grow the federal transit program. As outlined above, one of my first priorities when I was elected was to leverage federal transit funds to modernize, rationalize, and grow our regional transit system, including successfully asking our voters to approve a penny sales tax dedicated to transportation, including transit. Many other communities have made similar efforts. A more robust federal transit program would bolster these efforts, especially as we strive to replace our fleet, including alternative fuel buses.

Intercity Passenger Rail

We have heard and read a lot about high-speed rail, both a decade ago in the context of the Recovery Act and in recent weeks in the context of the Green New Deal. I fully support efforts to bring high-speed rail to our nation. However, I fear that these conversations take attention from other efforts to improve intercity passenger rail service that are not high-speed rail but nevertheless result in much improved passenger rail service that is competitive with automobile and airplane travel.

For example, while the media has given outsize attention to Governor Newsom's decision to scale back the California High-Speed Rail Project and to Florida and Wisconsin's decisions to return their Recovery Act high-speed rail grants, the Recovery Act funded projects that significantly improved intercity passenger rail on several corridors, most notably Detroit-Chicago and Chicago-Saint Louis, where targeted infrastructure investments combined with increased state support allowed for higher speeds and increased service frequencies.

Given the size of our nation, intercity passenger rail travel will probably never fully replace airplane and automobile travel. However, there are many corridors and city pairs where intercity passenger rail can help reduce greenhouse gas emissions while also improving mobility, increasing traveler choice, decreasing airport and highway congestion, and spurring economic development.

In South Carolina, I strongly believe that several corridors are ripe for the establishment of intercity passenger rail service, most notably Charleston-Columbia-Greenville and Charleston-Columbia-Charlotte. Relatively modest investments in existing infrastructure along these corridors would result in intercity passenger rail service that is competitive with automobile and airplane travel. This investment would also pay the added dividend of increasing mobility and supporting economic development around intermediate stops in the economically struggling towns along these corridors.

I have led efforts to bring service to these corridors, but a federal commitment in this area would help us achieve this goal.

Community Development Block Grant (CDBG)

Providing an additional increment of funding for CDBG targeted to resilient infrastructure in lowand moderate-income neighborhoods is another fast way that Congress can help cities tackle climate change and improve climate resilience. CDBG is an effective and efficient way for Congress to allocate funds. The program has a well-established administrative and oversight structure at the federal, state, and local levels and provides grantees with the flexibility to target a wide array of local needs. It is no coincidence that Congress most often uses CDBG to allocate disaster assistance funds.

Disaster Mitigation

Congress has spent and will likely continue to spend billions of dollars to help communities recover from natural disaster that many would argue has been exacerbated by climate change. Our nation has faced devastating hurricanes, wildfires, and floods. All evidence indicates that this

pattern will continue; 95% of cities responding to a U.S. Conference of Mayors survey responded that they have experienced a change related to at least one climate impact in the past five years, with most experiencing more. Our ongoing struggles with FEMA for assistance with repairs to the Columbia Canal, which serves our primary drinking water treatment plant, in the wake of Hurricane Joaquin illustrates the disconnect between the need to bolster our infrastructure to mitigate against future disasters and the way that the federal disaster assistance program operates.

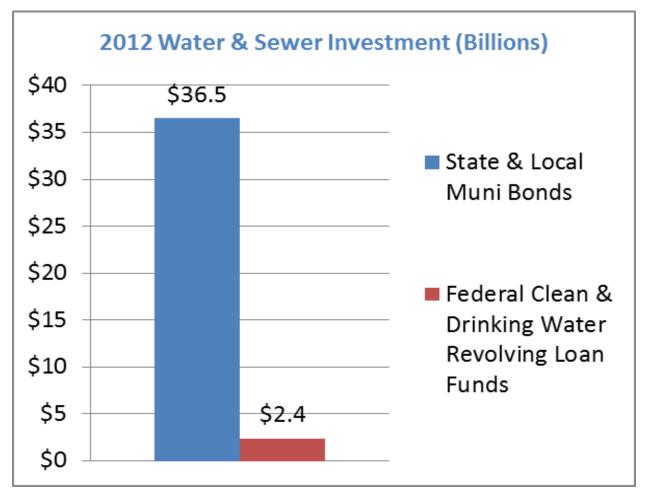
Over three years after the storm and with yet another hurricane season looming, the Columbia Canal is operating with temporary repairs and at diminished capacity with vulnerabilities that did not exist prior to the 2015 Disaster. The City estimates that repairing storm damage to the canal, including bringing it up to current standards and ensuring its resilience, will cost \$169 million. FEMA counters that most of the damage to the Canal is not storm-related, arguing that it is due to regular wear and tear, and further counters that FEMA can only fund repairs for visible damage and estimates repairs for storm damage to the canal at \$11 million. We feel our position is solid and backed up by extensive technical review. Regardless, something is clearly broken when the federal disaster assistance program cannot assist with repairs to the primary drinking water source for 375,000 people, 5 hospitals, 6 universities and colleges, and the Army's primary and largest training base.

I strongly encourage Congress to invest additional funds in disaster mitigation. Spending money on mitigation and resiliency is a necessary investment that would help protect our nation

Advanced Refunding of Municipal Bonds

I was relieved that the Tax Cut & Jobs Act of 2018 maintained the tax exemption for municipal bonds. State and local governments make over 75 percent of our nation's infrastructure investments and the tax exemption helps keep our borrowing costs low. The tax exemption for

municipal bonds allows the federal government to support state and local infrastructure investment in a manner that maximizes community decision making. Perhaps the best way to illustrate the scope of state and local investment in infrastructure compared to federal investment is this chart:



There are similar disparities in other areas of infrastructure investment. While I appreciate the federal funds Columbia receives, in this era of fiscal austerity and dwindling federal grants, it is not hyperbole to state that a repeal of the tax exemption for municipal bonds would have essentially been a federal abandonment of infrastructure.

Nevertheless, I was disappointed – and puzzled – that the Tax Cut & Jobs Act eliminated advanced refunding of tax exempt municipal bonds. Advanced refunding allows state and local governments to take advantage of lower interest rates, saving taxpayer money and stretching our infrastructure dollars. Simply put, Congress may have given itself a \$16 billion "pay for" to accommodate byzantine congressional budget rules, but in doing so you increased state and local government costs for infrastructure, including infrastructure to help us prevent and adapt to climate change.

Thank you for the opportunity to testify. I hope my testimony provides the Subcommittee with a strong understanding of local government efforts to address climate change as well as some ideas that Congress can quickly implement to bolster these local government efforts.