

Climate and Community Resilience Fund



SB.572 / HB938 *An Act establishing sustainable and equitable funding for climate change adaptation and mitigation*

Sponsored by Senator Sal DiDomenico, Representative Patricia Duffy, and Representative Natalie Blais

SB.572/ HB.938 would:

- ✓ Establish the Climate and Community Resilience Trust Fund (the Fund), dedicated to equitably supporting solutions for residents and communities that address the causes and impacts of climate change.
- ✓ Focus support for community-identified planning and implementation of climate solutions, particularly in communities of disproportionately low- and moderate-income residents.
- ✓ Create an independent board to make transparent decisions on how to prioritize, allocate, and equitably administer the Fund, with two-thirds of members representing community-based organizations and support from the Executive Office of Energy and Environmental Affairs and the Office of Climate Innovation and Resilience.
- ✓ Generate long-term, sustainable revenue for the Fund by establishing a fee on real estate property insurance premiums while minimizing the financial burden on low- and moderate-income populations.

Background

Massachusetts is a national leader in addressing the causes and impacts of climate change and addressing inequities of climate change on low- and moderate-income people. Despite recent advances in setting goals and establishing policies, we lack both funding to achieve these goals and an equitable distribution of energy and environmental benefits. The sources and distribution of current funding often amplify existing inequities.

Recognizing these challenges, representatives from environmental, environmental justice, community-based, and business organizations came together to investigate, develop, and propose equitable, long-term funding solutions. The result is SB.572 / HB.938.

Community-Based Choices

This bill would establish an independent board with members, primarily from community-based organizations, who have expertise in environmental justice, food security, affordable housing, labor rights, workforce development, insurance, real estate, public health, nature-based solutions, and more. The board would have authority to determine priorities, actions, and allocations for climate solutions under the Fund. The board would also focus on how to manage state climate change programs to significantly improve access, transparency, accountability, and oversight for equitable outcomes.

Community-Driven Climate Solutions

The Fund would provide resources for addressing climate change challenges and supporting community-driven solutions. Ultimately, the board will determine funding priorities; actions could include, but are not limited to:



Ensuring Resilient Homes and Communities: Support residents, organizations, and communities to manage the risks and impacts from extreme weather -- heat, cold, flooding and drought -- by funding measures such as nature-based solutions; equipment to create more safe, livable, and resilient homes; and community centers.



Fostering Partnerships: Encourage municipal and regional coordination by providing funds for resources and technical assistance, and better enabling equitable access to funding and programs.



Creating Jobs: Enhance workforce development for a diversity of well-paying jobs and careers implementing climate-related projects.



Avoiding Unintended Consequences: Offer low-income residents relief and support to avoid displacement and otherwise mitigate any negative impacts of climate programs.



Leveraging Public and Private Funds: Boost existing efforts and improve their equitable outcomes and administration, create new programs, and provide required match funding for federal grants.

Dedicated Funding

This bill would establish a new fee on real estate property insurance premiums to provide consistent and long-term funding. The board and Department of Revenue shall determine the amount of the fee, while ensuring affordability, minimizing administrative costs, and offering an opt-out provision for those who cannot afford to pay. The anticipated annual revenue from the insurance surcharge is up to \$95 million.

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