SUMMARY

A Green Stimulus and Recovery Platform for Pennsylvania

Putting Pennsylvania Back to Work and Investing in a Sustainable Economy

July 2020



Summary of Green Stimulus and Recovery Reforms and Investments



Pennsylvania is contending with historic public health and economic challenges that require a bold vision for economic stimulus and recovery to put the Commonwealth on a stronger footing in the wake of the pandemic than what existed before. This report lays out a policy roadmap that leverages Pennsylvania's growing nature-based, clean energy, and sustainable industries to create at least 389,000 jobs and build a more resilient and sustainable economy. The policy proposals described herein have four overarching goals:

- 1. Safely restarting the state economy in a way that limits the pandemic, reduces pollution, and protects human health.
- Avoiding state budget cuts that will negatively harm economic recovery and nature-based businesses.
- 3. Targeting short-term economic stimulus investments that put Pennsylvanians back to work and provide family sustaining wages.¹
- 4. Advancing long-term economic recovery investments to support environmentally sustainable infrastructure and industries that underpin resilient and equitable communities.

Using these basic principles, the following policy recommendations are made to put people back to work, reduce pollution, and rebuild toward a more sustainable economy.

¹ The United Way Worldwide defines Family-Sustaining employment as employment that pays a family-sustaining wage, offers benefits including paid sick leave, and offers career pathways that provide opportunities for wage and career advancement. Also, the family-sustaining wage calculator through MIT estimates that in Pennsylvania a single adult with one child needs \$50,000 a year.

Investments and Policy Reforms Requiring Executive or Agency Action

Convene a Green Recovery Summit for Municipal Officials (see page 29)

Governor Tom Wolf should convene a statewide *Green Recovery Summit* of local and county officials to develop and adopt a sustainable economic recovery framework. The convening would develop a priority list of clean infrastructure projects so that state agencies can take quick action as well as provide a consensus framework document for future stimulus and recovery investments at the local level.

Safely Reopen and Support Nature-Based Small Businesses (see page 12)

- Create a one-stop shop of business recovery guidance for nature-based businesses.
- Develop a *Reopening Pennsylvania Nature Tourism* report on safely reopening during the pandemic.
- Launch an *Explore PA's Natural Beauty Campaign*, targeting in-state residents on how to safely take advantage of outdoor tourism during the pandemic.

Support Small Farmers and Food Producers (see page 14)

• Develop resources to connect job seekers to opportunities on farms during harvesting.

Address Legacy Drilling and Mining Pollution (see page 19)

• Pressure Pennsylvania's federal policymakers to support and pass the RECLAIM Act, which would provide at least \$300 million in mine reclamation funding to the state.

Modernize Our Homes and Businesses through Energy Efficiency Projects (see page 21)

• Work with the PUC to convene stakeholders to share best energy practices, develop new tools, and build consensus on advance payment provisions.

Invest in Clean Transportation (see page 29)

• Implement a cap-and-invest program to fund clean vehicles and infrastructure investments. One such initiative is the Transportation Climate Initiative Regional Policy Development Process.

Investments and Policy Reforms Requiring Legislative Action

Avoid State Budget Cuts that Will Harm Economic Recovery (see page 10)

• Reject broad-based austerity measures to balance the state operational budget, particularly by rejecting cuts to environmental, conservation, wildlife, and agriculture programs, and instead advancing policies that build-on these important agencies to jumpstart the economy.

Safely Reopen and Support Nature-Based Small Businesses (see page 12)

- Pass legislation allowing small business tax deductions for implementing safety measures and expenses.
- Increase funding for DCNR's *Community Conservation Partnership Program Grants* and temporarily eliminate the matching requirement.
- Provide operating grants of at least \$25 million to state *Community Development Financial Institutions* and other regional economic development entities to support nature- based small businesses, including in low-income black and brown communities and environmental justice areas.
- Re-capitalize the COVID-19 Working Capital Access Program by at least \$100 million to support nature-based businesses in regions that may not be able to reopen during the summer and fall tourism seasons.



Support Small Farmers and Food Producers (see page 14)

- Expand the *COVID-19 Working Capital Access Program* by \$250 million and increase eligibility to keep small family farms from cutting payroll or averting bankruptcy during the pandemic.
- Re-capitalize the *Resource Enhancement and Protection* tax credit by \$25 million and allow for more flexible credit trading.
- Expand DCNR's *Riparian Forest Buffer* program to \$1 million.
- Increase PDA's *Farmland Preservation* program to \$76 million to preserve more farmland during the pandemic and offset reductions in county investments.
- Establish an *Agricultural Cost-Share Program* and initially fund it at \$25 million per year to invest in farm pollution reduction projects that also improve land productivity.

Create a PA Conservation and Economic Recovery Corps (CERC) (see page 16)

- Set a goal of hiring at least 15,000 unemployed Pennsylvanians in the first 12 months for at least 6-month terms, which could be extended based on their needs and project needs.
- Projects would focus on state park and forest maintenance, habitat management, green stormwater infrastructure, stream buffers, Main Street beautification, agriculture projects, tree planting, and other natural infrastructure needs.
- CERC should supplement support for the agriculture sector as well as provide family-sustaining wages of at least \$24/hour, plus health benefits, paid sick leave, and paid time off.
- Counties should submit lists of CERC-based job opportunities, organized by DCNR's nature-based regions plus heritage areas so that projects are equitably spread across the Commonwealth.

Address Legacy Drilling and Mining Pollution (see page 19)

- Invest \$453 million over 4 years in DEP's *Abandoned & Orphan Well Program* to clear a backlog of 9,000 abandoned wells that are "shovel-ready."
- Invest \$220 million over 4 years to DEP for mine reclamation projects, doubling the number of projects sourced through existing funds.
- Create a public-private program, through the *Environmental Good Samaritan Act*, to expand the number of PA small businesses working to plug and reclaim abandoned wells and mine land.

Modernize Our Homes and Businesses through Energy Efficiency Projects (see page 21)

- Increase borrowing authority of the *Redevelopment Assistance Capital Program* by \$250 million to issues grants for energy efficiency retrofits in schools.
- Re-capitalize the *Pennsylvania Energy Development Authority* by \$100 million to provide financial vehicles for large efficiency projects.
- Increase funding for DEP's *Small Business Advantage* program to \$10 million and increase projects caps for efficiency projects at small businesses.
- Expand the DEP *Small Business Pollution Prevention Assistance Account* to \$20 million and expand loan eligibility to multifamily buildings.
- Expand DCED's *Weatherization Assistance Program* by \$20 million to support grants to low-income housing retrofits.





Support Shovel-Ready Clean Water Infrastructure Projects (see page 23)

- Appropriate \$360 million over 4 years to PENNVEST for drinking water and wastewater infrastructure projects, including set-asides for designing and implementing green infrastructure projects.
- Amend Act 30 of 2018 to include green stormwater infrastructure in the definition of "water conservation project," so that clean water projects are eligible for Commercial PACE programs.
- Create a *Green Stormwater Infrastructure Grant* program at DEP, initially funded at \$25 million, to support projects in the design phase, including support for municipalities designing local projects.

Enable Community Solar (see page 27)

• Pass legislation that allows for community solar, increasing to 50 to 75 percent the number of PA residents with access to solar power if they choose to do so. Current bipartisan bills exist to do so, including HB 531 and SB 705.

Incentivize Grid-Scale Solar (see page 27)

• Amend the state *Alternative Energy Portfolio Standards Act* to ensure that a certain percentage of energy credits are obtained through competitively-bid long-term contracts as well as increase the share of electricity the state must source from renewable energy. Current bills exist to do so, including SB 600.

Expand Energy Efficiency Opportunities (see page 28)

- Remove the investments caps in Act 129 to allow for more energy efficiency projects at no net cost to consumers.
- Enact legislation to require the PUC to inquire if investment in available energy efficiency measures could achieve the same goals in proposed electric utility rate increases.
- Amend Act 30 of 2018 to include multi-family residential units as eligible to participate in commercial PACE programs so that landlords can retrofit apartment buildings.

Invest in Clean Transportation (see page 29)

• Prepare a transportation electrification opportunity assessment and set a statewide goal for vehicle electrification of at least 50 percent above business-as-usual by 2030. Existing bipartisan legislation exists to do so, including SB 596.







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PennFuture is leading the transition to a clean energy economy in Pennsylvania and beyond. We are protecting our air, water and land, and empowering citizens to build sustainable communities for future generations.

Citizens for Pennsylvania's Future—PennFuture—was created in 1998 as a statewide environmental advocacy organization. Since our founding, we have achieved significant legal and policy victories that reduce pollution and protect the environment. We have provided millions of dollars in pro bono legal services while setting critical precedents and enforcing environmental laws across the commonwealth.

Our team is working daily to protect public health, restore and protect natural resources, and move Pennsylvania toward a clean energy future. With offices in Harrisburg, Pittsburgh, Philadelphia, Erie, and Mt. Pocono, our team litigates cases before regulatory bodies and in local, state, and federal courts; advances legislative action on a state and federal level; provides public education; assists citizens in public advocacy; engages with grassroot citizenry to support environmental causes; and engages with communities to increase participation in democratic processes.