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ISSUE: Climate Smart Strategy

BACKGROUND: In the 2009 Jobs and Transportation Act (HB 2001), the Legislature directed Metro to develop and implement a plan for reducing greenhouse gas (GHG) emissions from transportation to meet state climate targets. Metro developed this plan – known as the Climate Smart Strategy – through a collaborative regional effort and adopted it in 2014 with broad regional support. It was then approved in 2015 by the Land Conservation and Development Commission (LCDC).

The Climate Smart Strategy – now integrated into the Regional Transportation Plan – includes investments in a wide range of transportation projects and programs including, but not limited to, road connectivity, transit capital and operations, bicycle and pedestrian infrastructure, and technology that improves traffic flow. In adopting this strategy, the region affirmed its commitment to provide transportation choices, protect air quality, build healthy and equitable communities, and grow the economy – all while significantly reducing GHG emissions.

Since the approval of the strategy, certain legislative actions have provided support for activities and investments that can move the region in the direction of achieving its required reductions. A notable example is the creation of a new funding source for transit operations in the 2017 transportation package (HB 2017). However, the strategy has never been fully funded, and much more state support is needed if the region is to reach its climate goals and provide all of the co-benefits described above.

RECOMMENDATION: Seek state funding to implement the Climate Smart Strategy.

LEGISLATIVE HISTORY: The Legislature created statewide GHG emissions reduction targets in HB 3543 (2007) and directed Metro to develop what became the Climate Smart Strategy in HB 2001 (the 2009 transportation package).

"Cap and invest" legislation to reduce GHG emissions was first introduced in 2016 but was set aside at the time in favor of the so-called "coal to clean" bill that phased out electricity derived from coal. Similar legislation was introduced in 2017 (SB 1070 – a marker bill introduced late in the session), 2018 (HB 4001 and SB 1507), 2019 (HB 2020) and 2020 (SB 1530). (The 2019 and 2020 bills both failed due to walkouts by their opponents that left the Legislature unable to conduct business.) Each of these bills would have established an auction system to put a price on carbon emissions, and used the proceeds from these auctions to further reduce emissions.

The 2018 and 2019 bills authorized but did not actually direct funding toward implementation of the Climate Smart Strategy. However, HB 1530 would have directed the Portland region's

significant share of transportation-specific auction proceeds to the implementation of the strategy.

OTHER INTERESTED PARTIES: Portland-area local governments collaborated on the development of both the Climate Smart Strategy itself and the provision of SB 1530 related to the use of auction proceeds to implement it. Many other groups interested in carbon reduction and sustainable transportation would likely be supportive.

IMPACT IF PROPOSED ACTION OCCURS: Investments would be made in projects and programs that reduce greenhouse gas emissions from transportation, which represent 40% of overall GHG emissions. As noted above, these investments would provide co-benefits in terms of cost savings, jobs, transportation choices, air quality and public health. The region would demonstrate leadership in reducing its contributions to climate change, one of the "six desired outcomes for successful communities" adopted by the region in 2008.