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Committee on Environment
and Public Works

Subcommittee on Clean Air, Climate,
and Nuclear Safety

Washington, D.C.

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LEGISLATIVE HEARING ON S. 283, NATIONAL CLIMATE BANK ACT

Tuesday, April 27, 2021

United States Senate

Committee on Environment and Public Works

Subcommittee on Clean Air, Climate, and Nuclear Safety

Washington, D.C.

The committee, met, pursuant to notice, at 2:48 p.m. in room 406, Dirksen Senate Office Building, the Honorable Edward Markey [chairman of the subcommittee] presiding.

Present: Senators Markey, Carper, Inhofe, Lummis, Boozman, Ernst.

STATEMENT OF THE HONORABLE EDWARD MARKEY, A UNITED STATES
SENATOR FROM THE STATE OF MASSACHUSETTS

Senator Markey. I am very pleased to call this subcommittee to order for a legislative hearing on S. 283, the National Climate Bank Act. Thank you to my Ranking Member, Senator Inhofe, and to the Chairman and Ranking Member of the Committee on Environment and Public Works, Senator Carper, who has joined us, and Senator Capito, who I think is going to join us, as well. I want to thank them for their invaluable partnership in giving us this opportunity to hold this hearing and for joining us today.

It is my pleasure to welcome my colleagues on the subcommittee, as well as our witnesses, to a discussion of the National Climate Bank Act, which would create and capitalize a national climate bank, also known as a clean energy and sustainability accelerator. The dangers, disasters, and damages of the climate crisis are no longer hypotheticals. The climate crisis has fully arrived, and we have both an imperative and an opportunity to act to protect the economy, preserve American lives, create new jobs, and establish the United States as a global leader in a clean energy future.

The legislation we will discuss today, the National Climate Bank Act, provides a practical and economic solution to all of

those problems. It puts people to work. It helps rebuild homes, schools, and communities. It tackles the climate crisis, and it has environmental and economic justice at its core.

This legislation, which has bipartisan support in the House, would leverage new private investments, support local solutions tailored from local problems, build upon a model with an existing track record of success, and will ensure that no community is left out of the clean energy future.

There are projects in every community that need to get done now. Homes need new roofs, new windows, new heating systems. Communities with abandoned mines and degraded lands need money to rebuild, reforest, and start their economies. Industries need funding for efficiency and decarbonization technologies, and carpenters and roofers and electricians and painters need work now in our Country, and every State, city, and town is best situated to develop their own set of priorities for their own sets of problems.

That is why the National Climate Bank is so important. It would use proven techniques to provide funding for existing green banks, help start new green banks, and support direct investments into critical projects.

The National Climate Bank Act would provide financial support for a range of projects, but would particularly prioritize helping communities that have been harmed by the

retirement of carbon-heavy assets. With a National Climate Bank, communities can set up their own green banks to fund local projects, so in turn, directly to the National Bank for investments, credit enhancements, or other financial support.

The National Climate Bank helps public money go further, with more than \$7 of private capital leverage for each public dollar. Let me say that again: \$7 of private capital unleash for every \$1 of public investment. That means more local projects, more local jobs, and more clean energy benefits, without more financial risk.

The National Climate Bank would prioritize projects to create jobs and serve low-income, minority, distressed, or rural communities, with a 40 percent minimum proportion of investment that would go to disadvantaged communities facing climate impacts. With a National Climate Bank, we can create more than four million blue-collar jobs. Four million blue-collar jobs, unleashing an economic revitalization in areas that need it, creating new careers and supporting local communities for decades to come.

I look forward to discussion of the details of this bill. I just think it holds enormous promise for ensuring that people in our Country, blue-collar workers, can point to a future that is more promising than anything that we have right now.

Let me turn to recognize the Ranking Member of the

subcommittee, my friend from Oklahoma, Senator Inhofe.

[The prepared statement of Senator Markey follows:]

STATEMENT OF THE HONORABLE JAMES INHOFE, A UNITED STATES SENATOR
FROM THE STATE OF OKLAHOMA

Senator Inhofe. Well, thank you, Mr. Chairman. I would like to welcome our panel for the first Clean Air Subcommittee hearing of the 117th Congress. I would like to give a special thanks to Mr. Isaac and Commissioner Bell for joining us today.

Before I discuss my thoughts on the Chairman's bill, I would like to say that I have known my colleague from Massachusetts for many years. We have served together. Actually, we don't agree on anything, but we love each other. We have had a very close relationship for a long time, and he is a true liberal, and while we disagree, I do have respect for him.

I look forward to working, just as we have effectively with other Democrats. I always got along so well with Senator Barbara Boxer when I chaired this committee, and we got things done.

In fact, we used to have the meeting over at Mitch McConnell's office at 12:15 every Tuesday. All the chairmen would get together, and when it came my turn, I would say, now from the committee that actually gets things done, and we did them. We accomplished a lot of things together, and I say the same thing with Chairman Reed, the Armed Services Committee.

Now, I have serious concerns about the bill that we are

discussing today. Sadly, it appears that the National Climate Bank Act may be phase one of Democrats' far-left climate agenda, the end goal, of course, being the Green New Deal. We all know the Green New Deal seeks to end our way of life as we know it: abolish fossil fuels, air travel, control how much beef we eat.

This bill creates a federally funded D.C.-based climate bank solely focused on funneling \$100 billion of taxpayer's dollars into green projects that are favored by Washington Democrats. While there are many issues with the bill, the bottom line is we simply don't need it. The bill's own findings indicate that in 2018 alone, there was over \$100 billion invested in renewable energy and energy efficient projects.

Furthermore, the bill does not take into account that the Department of Energy's loan program office is flush with cash, with more than \$40 billion in loans and loan guarantees for energy projects. Even President Biden's \$2 trillion slush fund for all things infrastructure plan devotes less than \$30 billion for a carbon bank. That is less than 2 percent, clearly not a real priority, and that says a lot.

Secondly, let's talk about who controls the money in the bank: Washington activists. The Bank's Board of Directors would be handpicked by the President of cabinet officials in this Administration. A seat is given to the director of the unaccountable CFPB. That is a far cry from the nonpartisan or

bipartisan standard for Federal boards and commissions we have today. This Board would likely be used to reward political allies of Washington Democrats at the expense of the taxpayer dollars.

Worse, nothing in this bill prevents the Bank from being used as a slush fund for billionaires and other politically connected Democrats.

Finally, this bill places coal country in its crosshairs. It establishes a Cash for Carbon program to force the closure of reliable coal-fired power plants and even clean natural gas-fired power plants as well. That would be devastating to communities across America, including my State of Oklahoma and Gillette, Wyoming, where our witness, Commissioner Bell, resides.

The winter vortex from February reminded everyone that renewables alone won't keep the lights on; we need coal and natural gas. I could go on, but the simple fact is, we shouldn't risk taxpayer dollars in loans to well-connected industries to the left. Other than that, it sounds like a good bill.

[Laughter.]

Senator Inhofe. Thank you, Mr. Chairman.

[The prepared statement of Senator Inhofe follows:]

Senator Markey. Thank you, my friend, so much, for that optimistic, forward-looking opening.

May I add, as well, Senator Carper, to the list of chairmen who are very productive in working together in a bipartisan fashion, and that would be my hope on this legislation as it is all unveiled and fully understood.

Toward that goal, we begin with our first witness, Senator Chris Van Hollen, from the State of Maryland, with whom I have partnered in the drafting of this legislation, and who has always been ultimately a pragmatist in this legislative process, so Senator Van Hollen, whenever you feel comfortable, please begin.

STATEMENT OF THE HONORABLE CHRIS VAN HOLLEN, A UNITED STATES
SENATOR FROM THE STATE OF MARYLAND

Senator Van Hollen. Thank you, Chairman Markey. Let me start by thanking you and Ranking Member Inhofe, Senator Ernst, and all the members of the subcommittee for holding this hearing.

I am pleased to be joined by the Chairman of the Committee, Senator Carper. In fact, I am pleased to join all of you as a proud alumnus of the Environment and Public Works Committee and as the coauthor with Chairman Markey of the National Climate Bank Act.

I believe we have a duty in our Country to avoid the ongoing rising harm and disruption caused by huge emissions of greenhouse gases. The costs of doing nothing about climate change are real and staggering. But rather than focusing solely on the costs of inaction, we should also focus on the opportunities for action, opportunities to build a stronger economy and generate millions of new home-grown, good-paying jobs of the type that Senator Markey described, that put people to work addressing this urgent crisis.

The bottom line is this: a \$100 billion federal investment in a National Climate Bank, also known as a Clean Energy Accelerator, would create four million American jobs in four years. Put simply, we need a National Clean Energy Accelerator

to put Americans to work at the cutting edge of a clean energy economy.

Our global competitors certainly know the economic stakes. Every day, China pours more and more money into clean energy in a push to corner the market. It is part of both their Made in China 2025 plan and their most recent five-year plan approved just this March. Earlier this month, China's National Energy Administration announced that it intends to increase solar and wind power from 9.7 percent of the Country's total power consumption in 2020 to 16.5 percent by 2025. That is about a 25 percent jump in a short time from where they are today.

By contrast, in the United States, wind and solar currently account for a mere 3.8 percent of our total energy consumption. As they expand their capacity in China, they will also export it to the world, generating more jobs for China. If we don't get into this game more seriously, we will fall further and further behind on clean energy, just as we did with 5G technology.

Our own National Academies of Sciences, Engineering, and Medicine projected in February, a few months ago, that we will need to mobilize \$2 trillion in clean energy investments over the next 10 years to meet our climate goals. To achieve that goal, they, our National Academies of Sciences, recommend that we create a National Clean Energy Accelerator, exactly what is being proposed in this bill. An Accelerator would be a magnet

that attracts billions of dollars of private capital to put Americans to work building a cleaner energy economy.

In fact, it is estimated that for every \$1 we put into this Accelerator, we will draw at least \$3 to \$5 of private investment, and as the Chairman said, up to \$7 per dollar of public, and \$7 of private to match the public dollar investment. This is a public-private partnership with a great multiplier effect, and it will give pioneering companies and entrepreneurs the boost they need to get over the finish line.

We also know that this model works because it is already working at the State and local level. Years ago, I introduced a bill to create a Green Bank to establish exactly this kind of Clean Energy Accelerator. The proposal was included in the American Clean Energy and Security Act, also known as the Waxman-Markey Bill, thank you for your leadership there, which passed the House in 2009. While the Waxman-Marley Bill did not make it out of the Senate, the idea of establishing Green Banks caught fire in different parts of the Country and helped launch the Coalition for Green Capital, which you will hear from today.

In fact, Mr. Chairman, the States of Louisiana, Ohio, Florida, Maryland, and Hawaii, very different States, all have a climate bank, and they now exist in over 37 States and the District of Columbia and are supported by governors of both parties.

While they are generating important investments in clean energy technology, they cannot be brought to scale without this National Bank to achieve our national goals, so that is why we need to do this at the Federal level. We can help turbo-charge private investment, fortify our energy grid, and create millions of clean energy jobs, including in those communities where fossil fuel plants have closed. Forty percent of the investments made by our proposed Clean Energy Accelerator would be directed to underrepresented groups to ensure that historically disadvantaged communities are not locked out of the transition.

President Biden believes in this vision, too, and he has included Green Energy Accelerator in his American Jobs Plan. Colleagues, I urge you to seize this opportunity to join with me, Senator Markey, and Senator Carper and bipartisan leaders around the Country to support a National Clean Energy Accelerator.

Thank you, Mr. Chairman.

[The prepared statement of Senator Van Hollen follows:]

Senator Markey. Great. Thank you, Senator Van Hollen. Thank you so much for all of your leadership, and your testimony reflects the fact that you are an alumnus of the Environment Committee, so thank you so much for your great leadership in this Congress.

Now, let me turn to our second panel of witnesses. I am very pleased to have the Honorable Reed Hundt, chairman and CEO of the Coalition for Green Capital joining us today. Mr. Hundt has worked on these issues for many years, so we thank you for your expertise with the subcommittee today.

We are also fortunate to have with us M. Duanne Andrade, the chief strategic and financial officer of the Solar Energy Loan Fund joining us this morning. She knows what it means through personal experience to implement a green bank and deliver benefits to real people, so we welcome you today.

Now, I would like to recognize Senator Lummis to introduce Commissioner Bell, who hails from her home State of Wyoming. Senator Lummis, if you are with us.

Senator Lummis. Thank you, Chairman Markey. It is my great pleasure to introduce Campbell County Commissioner Rusty Bell to our subcommittee. Commissioner Bell was born and raised in Gillette, Wyoming, where he and his wife, Toni, have raised their two sons.

Currently, Rusty serves on the Wyoming County Commissioner's

Association, and he is on the Executive Committee, chairs the Revenue Committee, and is very a very active County Commissioner in the State of Wyoming. He was nominated to serve as Chairman of his Board of County Commissioners in 2017 and 2019. He has been a tireless fighter and champion of his county, Campbell County, in Cheyenne, our State capital, and now, here in Washington, D.C.

He happens to have just opened an ax throwing establishment, too, called Axe House, with a marketing tagline of "let's bury the hatchet," which is a great tagline to bring with you to Washington. So I am really pleased, Mr. Chairman, to introduce one of Wyoming's finest, Commissioner Rusty Bell.

Senator Markey. Thank you, Senator, and welcome, Mr. Bell.

Finally, I am going to turn to Senator Inhofe to welcome the Honorable Jason Isaac, the director of Life:Powered, A Project of the Texas Public Policy Foundation.

Senator Inhofe. Thank you, Mr. Chairman. It is my pleasure to introduce the Honorable Jason Isaac, the director of Life:Powered, which is A Project of the Texas Public Policy Foundation. Jason is a fourth-generation Texan and a former State representative from the Texas hill country. He has dedicated much of his life to public service. Since 2018, he has led Life:Powered, which is focused on expanding America's understanding of energy and environmental policy. He is an

expert in a variety of issues, including one that we are discussing today. Welcome to our committee, Jason, and thank you for being here.

Senator Markey. Wonderful. Let me just turn to our full committee Chairman, Senator Carper.

Senator Carper. I will be very brief. I have a couple of votes I am going to weigh in on, and one of them I spent a lot of time, several of us spent a lot of time trying to get John McCabe confirmed as Deputy Administrator of the EPA, so I am going to slip out of here. Who mentioned bury the hatchet? Who mentioned that? It was Cynthia, wasn't it?

Senator Markey. Cynthia Lummis.

Senator Carper. Senator Lummis? Yes. We, for a couple hundred years in the State of Delaware, two days after the election, we have had something called returns day. Winners and losers come to Georgetown, Delaware, the southernmost county seat of our State. We have a brunch together at our community college, Delaware Tech. When the brunch is over, we all go outside, winners and losers ride together in the same horse-drawn carriage with their families.

We have thousands of people show up, they close the school for kids to come, and they get autographs there. Sometimes we have a President-elect show up, sometimes a Vice President-elect shows up, and there is a short program, patriotic songs, a

couple of prayers.

Then we have this ceremony where we bury the hatchet. We take a large aquarium, a glass aquarium that is full of sand from Rehoboth Beach, Delaware, about half full. The party leaders each take this big hatchet, and they grab it, they each grab a piece of it, and they put it down in the sand, and they cover it up with the other sand. They literally bury the hatchet.

When it is all over, we have parties and people open up their homes and their businesses and maybe have a libation or two. By the end of the day, the pain of winning or losing, the joy of winning, has kind of subsided, and we say okay, now, let's figure out how to work the other good things in. It is a wonderful, wonderful tradition.

I once explained to Frank Lautenberg about the tradition of burying the hatchet in Delaware. He said, if we had that ceremony in New Jersey, we would bury the hatchet, but it would be in the back of the opponent's head. Fortunately, that is not our tradition. I couldn't help but mention it.

Thank you very much for this hearing, and to both of our leaders of this committee for your spirit of collaboration, even if you don't agree on everything.

Senator Lummis. Thanks for telling that story, Mr. Chairman.

Senator Carper. You are welcome.

Senator Markey. Thank you, Mr. Chairman, for that story. When I was first elected as a State representative in Massachusetts, where politics is a full-contact sport at all times, after I won my first race, which I did not realize would have such an event, I was 25 years old. There was something called a crow supper, where the losers have to eat crow. But they cannot speak at it, which in the hands of some winners, gave the winners yet one more opportunity to humiliate the loser and to use a hatchet in a way that Frank Lautenberg described, rather than you.

So that was my introduction to politics, that crow supper, and hopefully here, after the election of 2020, we will be able to reflect the philosophy that Delaware brings to it, and we can come together to work for the common good of the people of the United States of America.

So, let me begin then, by turning to you, Mr. Hundt. We welcome you, and again, whenever you feel comfortable, please begin.

STATEMENT OF THE HONORABLE REED HUNDT, CHAIRMAN AND CEO,
COALITION FOR GREEN CAPITAL

Mr. Hundt. Thank you very much, Mr. Chairman, and it is an honor to be with you and Ranking Member Inhofe, Committee Chair Carper, Senator Ernst was here earlier, and Senator Lummis here virtually. It is also a great pleasure to follow my home State Senator, Chris Van Hollen.

I am here in the capacity of CEO and co-founder of the Coalition for Green Capital. That is a non-profit that, for more than a decade, has specialized in creating green banks. Mr. Chairman, when you and Senator Van Hollen were in Congress in 2009, you collaborated on the first version of legislation creating a National Green Bank, and although that did not happen then, that concept led to our nonprofit.

In turn, we have helped launch now 21 green banks in 15 States and the District of Columbia, and we are in talks to create green banks in 22 more States. The most recent addition to this bipartisan movement comes from Alaska, where Republican Governor Mike Dunleavy introduced legislation to create a green bank, and the dean of the House Congressman, Don Young, endorsed the House version of your bill just a couple weeks ago.

All of these green banks, the ones that exist and the ones that are struggling to exist, are in desperate need of capital. One of the purposes of your act is to provide \$100 billion to

this nonprofit called the Clean Energy and Sustainability Accelerator. One of the things it would do would be to distribute capital to all of these green banks, and then find people to create them in the remaining States.

The Accelerator would also partner with private firms to invest more than \$400 billion of combined public and private money during the next four years, and then over ten years, more than \$800 billion in building the new clean power platform. That is the \$1 public money plus \$7 of private money that you, Mr. Chairman, spoke about in your opening remarks.

These investments will create, on average for the decade, a million jobs a year, and they will deliver one fifth of all the emissions reductions needed for the United States to get to zero by 2050. We make these predictions from experience as well as economic analysis. Existing green banks have attracted that much private money for every one of their public dollars.

In fact, the existing green banks have more than \$20 billion in backlogged projects waiting for the Accelerator's funding. Every one of those projects also is an indication of the number of people who are waiting to be hired doing that work.

This bill, you can see, is a big part of the American response to the climate crisis. To paraphrase the legendary CEO of Intel, Andy Grove, bad countries are destroyed by crises.

Good countries survive them. Great countries are improved by them. The United States is a great Country, and facing this crisis, we only have to remember who we are and how we can improve.

Since our founding, we have trusted technology and investment to transform our Country for the better over and over again, and our will to change enables us to achieve the five goals necessary for winning the climate war in the next 15 years. Wind and solar power have to increase their market share by six times. High-voltage lines have to link offshore windbreak plains and desert solar to every distribution utility. Battery storage has to be installed strategically in the grid. Heavily driven vehicles have to be powered by electric motors, and lastly, the transition from carbon to clean has to be true.

That is the word used by the United Mine Workers of America. A true transition delivers not just clean power, but justice to communities harmed by pollution, hit by job loss, and cut out of decades of gains enjoyed by the rest of the Country. That is why, in your bill, 40 percent of the money would go specifically to low to moderate-income communities impacted by the legacy of the carbon platform and at risk because of the transition.

Andy Grove also said, in order to build anything great, you have to be an optimist, and we can be optimistic about building this great new clean power platform because a quarter of a

century ago, we transformed the system just as longstanding, complex, and according to some, resistant to change. I am talking about the communications platform, that in 15 years changed from analog to digital, from wiring to wireless, from voice to data.

It was public action and private investment that accelerated that transition. We led the world in that change, and Americans on every rung of the economic ladder benefitted. Now we have the chance to do something just as hard, certainly as important, and we don't have a moment to lose. Fortunately, we are a Country of optimists.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Hundt follows:]

Senator Markey. Thank you, Mr. Hundt, very much.

Our second witness, again, is Ms. Andrade. You are recognized, so whenever you are ready.

STATEMENT OF M. DUANNE ANDRADE, CHIEF STRATEGIC AND FINANCIAL OFFICER, SOLAR AND ENERGY LOAN FUND

Ms. Andrade. Good afternoon, Chairman Markey, Ranking Member Inhofe, and members of the committee. It is a great honor to be here with you today in this important hearing.

My name is Duanne Andrade, and I am the Chief Financial and Strategic Officer for Florida's green bank, the Solar and Energy Loan Fund known as SELF. We are based in Fort Pierce, Florida and operate statewide and have small pilots in South Carolina, Alabama, and Georgia.

I am here today as a witness to the benefits that can be achieved through the passage of Senate Bill 283, the National Climate Bank Act.

Eleven years ago, the St. Lucie County Commission led by Commissioner Doug Coward created SELF with a \$3 million grant from the Department of Energy that was embedded in the 2009 American Recovery and Reinvestment Act after the housing market crisis. Today, SELF is an independent, certified, non-profit Community Development Finance Institution, otherwise known as CDFI, and a founding member of the American Green Bank Consortium.

Three years after SELF was founded, I joined the organization, and a few years later, I am happy to say that the founder, Doug Coward and I, got married. Because we were

struggling too hard to keep SELF afloat, we decided to join forces, and now we co-lead the organization as husband and wife.

Prior to joining SELF, I worked for many years in development finance. This is where I first experienced the power that innovative financing models have to unlock economic, environmental, and social benefits, especially in under-served communities. An important lesson learned was that the financial systems relying on credit scores and traditional underwriting methods leave too many people behind. They do not gauge or capture the true credit worthiness of LMI communities.

SELF's mission is to rebuild and empower underserved communities, providing access to affordable, innovative financing for sustainable property improvements. Simple. We make loans, unsecured loans, for residential energy efficiency, clean energy, and resilience projects. Roofs, windows, air conditioners, basic things. Mostly, we do this to LMI homeowners, but our innovation in the space has been to approve loans based on ability to repay, regardless of credit scores.

These small loans are helping people save on energy bills, build equity, increase safety, health, quality of life, and advanced financial inclusion. Forty-two percent of all U.S. households are low to moderate income. These are the average, working-class families who mostly live in older homes that are more likely to be inefficient, have high energy burdens, and

need structural upgrades to withstand climate impacts.

These average, working-class people turned out to be our unsung heroes during the COVID-19 pandemic. They are our teachers, our nurses, our first responders, grocery store workers, janitors. This is America. Shouldn't they be able to afford healthy, safe, climate-resilient homes, especially in a developed country?

SELF and all green banks also foster jobs. We have a network of over 600 contractors who use our financing. For example, Sea Coast Air Conditioning, a mom-pop shop in Fort Pierce, Florida has done over a million dollars in new business with our financing, specifically in LMI communities.

I would like to introduce you also to some of our clients. I don't know if you can see on the screen. Meet Pamela Turner, a U.S. veteran. Are you able to see the image? No? Well, Pamela Turner is a U.S. veteran, single mother of four, cancer survivor. She could not get a loan to replace her roof that was leaking, had buckets around her house, mold was growing, her children were unhealthy and unsafe. Nobody would give her a loan.

A contractor brought her to us. We were able to approve her for a loan to fix her roof, and she got our lowest-cost loan, despite her poor credit. Today, she is enjoying safety, but also, she has been able to gain access to insurance, and she is

also rebuilding her credit.

I am sorry you can't see this, because another example would be Carol, a widow recovering from back surgery. Her A/C goes out; it is 102 degrees, sweltering heat in Florida, and nobody will give her a loan because her husband who passed away had all of the credit. She had none. She comes to us; we are able to give her a loan, a low-cost loan, to get a high-efficiency air conditioner that she could afford. That is the picture showing her receiving that loan.

So, just to wrap up, SELF has done \$17 million in loans, 74 percent of those for low and moderate income families. Our average default rate is less than 2 percent.

However, after 10 years of arduous work, we still have only tapped into less than 1 percent of the potential market that needs our services. A National Climate Bank would help SELF and other green banks across the Nation catalyze billions of dollars in investments to rebuild our communities, uplifting our everyday heroes, both workers and small businesses with sustainable, long-term benefits.

This is not asking for charity. We are asking you to make a sound and impactful investment to revitalize and rebuild our Country and pave the way into the future. Thank you.

[The prepared statement of Ms. Andrade follows:]

Senator Markey. Thank you very much for your testimony,
and now Commissioner Bell, if you can hear us, please begin.

STATEMENT OF THE HONORABLE RUSTY BELL, COMMISSIONER, CAMPBELL COUNTY, WYOMING

Mr. Bell. Thank you, Mr. Chairman, Chairman Markey and Ranking Member Inhofe, and Senator Lummis, thank you for the nice introduction.

Also, Senator Carper, thank you for the bury the hatchet story. I will be using that.

I am Rusty Bell. I am a member of the Board of County Commissioners in Campbell County, Wyoming, located in northeastern Wyoming. I am currently serving my third year of my second term as a member of the board. Thank you for the opportunity to talk to you about S. 283, the National Climate Bank Act, and its potential impact on my county, Campbell County, Wyoming, and the citizens.

Campbell County encompasses about one-tenth of 1 percent of the entire land mass of the United States, yet we produce approximately seven quadrillion BTUs of energy annually, providing from one county nearly 10 percent of the entire Country's energy demand. Most of that demand takes form in low-sulfur coal from the Powder River Basin. Wyoming produced about 39.2 percent of the U.S. coal in 2019, with two of the largest mines, North Antelope/Rochelle and Black Thunder, both located in Campbell County, having produced 22 percent of that total.

Every single day, trains containing 130 cars filled with

coal depart my county filled with Wyoming coal so that your constituents can safely and affordably turn on their lights and heat. Campbell County coal is what keeps the grid reliable. According to the U.S. Geological Survey, there are approximately 25 billion tons of economically recoverable coal resources in Campbell County.

In addition to our abundant coal resources, Campbell County is also Wyoming's number one producer of oil, producing over 19 million barrels of oil in 2020, which was enough to account for almost 23 percent of total Wyoming production. We also produced over 84 million Mcf of natural gas and are a leading producer of uranium through in situ mining. When you talk about energy and power generation, Campbell County really is all about "all of the above." In addition to our abundant fossil fuel resources, we also have some of the best wind potential in the Nation.

Gillette, our county seat, is known as the energy capital of the Nation for very good reason. However, our community has been significantly impacted by declining production of coal and drops in oil production. Production of Powder River Basin Coal in Campbell County increased steadily from the 1980s through 2008. The 1970s and 1980s were boom times in Campbell County as the opening of large surface coal mines, as a result of the Surface Mining Control and Reclamation Act of 1977, SMCRA, and the passing of the Clean Air Act, made Campbell County's low-

sulfur, sub-bituminous coal very attractive for power generation.

Though we increased steadily from the 1980s through 2008 to a record production of 446 million tons per year that year, we have also seen our production fall off very quickly in the past couple of years, with calendar year 2020 production of coal in Campbell County amounting to approximately 210 million tons, more than a 50 percent drop.

Our population of approximately 46,000 has grown resilient to the rise and fall of energy prices affecting our lives, but we have never been as heavily impacted as recently. The majority of Campbell County's budget and the budget for our schools is derived from property taxes and ad-valorem taxes, which are property taxes assessed by the county on the value of produced minerals. In Campbell County, upwards of 70 percent in some years and as high as 90 percent in other years of our assessed valuation is attributed to mineral production.

Campbell County's 2014 assessed valuation, driven by high oil prices for most of that year, was nearly \$46.2 billion. Our assessed valuation for 2020 was \$4.2 billion, based upon 2019 production. This 32 percent decrease in assessed valuation, which equated to a 32 percent decrease in ad valorem taxes, has been further compounded by a nearly 50 percent drop in sales tax collection.

Our county was fortunate that we were able to adjust to this drop through proactive planning, savings, no debt, and sound fiscal policy. However, our projections for 2020 production in preparing for our fiscal year 2021-2022 budget is \$3.2 billion, a \$1 billion-dollar drop.

Though Wyoming's schools are set up in a way that revenues are redistributed between school districts so that all Wyoming kids receive a quality education, the Wyoming K-12 system is running at about a \$300 million dollar deficit following the legislative session that just ended. Fossil energy funds the Wyoming education system.

I would encourage the committee to consider the impacts of Sections 5245(f) and (g) on my community and in the implementation of Section (h) pertaining to the prioritization of projects. Campbell County and Wyoming, who have both benefitted from historically strong mineral economies, are both aware of the conversation surrounding emissions and carbon.

The State of Wyoming has invested \$15 million in the Integrated Test Center at Dryfork Power Station Plant in Gillette, has partnered with the XPrize to use this facility to find beneficial uses for power plant flue gases. The XPrize recently announced their winners, which included CarbonBuilt, a team from UCLA that demonstrated its technologies at the ITC. Dryfork Power Station also is home to Carbon Safe Carbon Capture

Project.

Campbell County intends to continue fully developing our existing mineral resources. We are also looking to the future, recognizing we need to find new uses for our existing resources and new ways to put people to work.

Additionally, because of the significant amount of tax revenues the county generates from mineral extraction activities, for many of which the long-term opportunities are being threatened, proactively addressing economic development and looking for option to retrain our workforce are essential. Unfortunately, the money for these activities is mostly nonexistent.

Campbell County not only leads in energy production, but also conservation and reclamation practices. No ones in America care more about the environment of Campbell County that the residents of Campbell County. We breathe the air, we drink the water, we ranch and farm the land. We have incredible populations of wildlife in Campbell County, including pronghorn antelope, deer, elk, sage grouse, and many birds of prey, including bald and golden eagles and ferruginous hawks. No energy development happens without these environmental factors taken into account.

For these reasons, I would encourage the committee to not forget communities who stand to be the most impacted by the

implementation of the proposed National Climate Bank Act look at including or expanding the legislation to include opportunities for economic development, retraining, and research for new uses for our mineral resources. Examples like the ITC could further develop to generate beneficial uses for Campbell County's mineral resources, which have helped power the U.S. for generations. We have been blessed with these resources, and our citizens deserve the opportunity to continue to efficiently and responsibly recover these American assets.

Chairman Markey, Ranking Member Inhofe, Senator Lummis, I appreciate the opportunity to testify before you. I am prepared to stand for any questions. Thank you.

[The prepared statement of Mr. Bell follows:]

Senator Inhofe. [Presiding] Thank you very much.

Since the Chairman is down voting right now -- oh, you were gone. I didn't mean to leave you out. I thought you had already gone. Go ahead. Mr. Isaac, you are recognized for your statement.

STATEMENT OF THE HONORABLE JASON ISAAC, DIRECTOR, LIFE:POWERED,
A PROJECT OF THE TEXAS PUBLIC POLICY FOUNDATION

Mr. Isaac. Thank you, Senator Inhofe. Thank you, Chairman Markey and members of the committee. I am Jason Isaac, Director of the Life:Powered Project at the Texas Public Policy Foundation, a national initiative to raise America's energy IQ.

During the eight years that I served in the Texas House of Representatives, I served on the Environmental Regulation, Energy Resources, and Economic Development Committees. I was successful at passing legislation to further Texas environmental leadership while promoting economic prosperity, two things that go hand in hand.

The idea of a Federal Climate Bank has been proposed for years, and the market has responded. Wall Street and global financial firms and the Climate Action 100+ are colluding to force companies they invest in to divest from fossil fuels, denying financing and investment unless those energy businesses kowtow to arbitrary and expensive emission reductions and to prop up these financial institutions' massive investments in green energy that, without government subsidies, would otherwise fail. In reality, there already is a climate bank.

This climate cartel will prove a disaster for our entire economy. Restricting financing to energy producers based on political whims kill good-paying jobs, increase our cost of

living, and reduces the capital available to invest in the energy technologies of the future. The less energy the United States is free to produce, the more we and our allies are forced to rely on hostile, unstable nations with lax environmental and labor standards. This is harmful not just for energy businesses, but also for each and every American.

We recently spoke with Mike Dunleavy, the Governor of Alaska, whose State is having to invest its own money to develop new Arctic oil and gas reserves because the major banks will not invest there. In Texas, we have heard from numerous energy producers that they are struggling to sustain and grow their businesses because of banks refusing to finance them. The level of collusion occurring within this energy discrimination movement makes a free and competitive market nearly impossible, and the government should certainly not engage in the same kind of bully tactics.

Contrary to the narrative that our environment is bad and getting worse, and that it is all our fault, America is a world leader in environmental protection. We are the only highly populated nation to meet the World Health Organization's standards for safe air, and we have cut emissions of criteria pollutants by 77 percent in the last 50 years. I have mentioned to some of your colleagues that, of all the technology the Chinese steal from us, it would be nice if they would utilize

our pollution control technology.

In southern California, ozone levels are 65 percent higher due to Asian air pollution that makes its way across the Pacific, and when it comes to climate change, the news is good. The science suggests that climate will remain mild and manageable.

You and I and everyone in this room are 99 percent less likely to die in a climate-related disaster than our grandparents were. Improved technology and reduced poverty, both of which fossil fuels provide, affect our adaptability far more than carbon dioxide emissions.

Eliminating U.S. fossil fuel consumption completely by 2030, doubling President Biden's proposal, would reduce global average temperatures by less than two-tenths of a degree at the end of the century.

Instead of fixating on carbon dioxide emissions, the Federal Government should be focused on solving the real problems facing people here and now. If ever there was a crisis, it is global poverty. America and our vast energy resources, produced more responsibly than anywhere else on earth, hold the key to ending poverty as we know it.

The recent blackouts in Texas that resulted in at least 111 deaths should be a dire warning against even more market-distorting policies. The market responded to those subsidies

accordingly. Installation of wind and solar-generated electricity, unreliable variable forms of generation, have increased more than 200 percent in the last 10 years, while reliable thermal generation has declined nearly 5 percent.

Now, the installed generation of the ERCOT Texas grid is 33 percent unreliable variable generation. On the day of the blackouts, wind and solar provided just 8 percent of our electricity on the grid while fossil fuels and nuclear provided 91 percent of our reliable electricity.

I urge the committee not to proceed with any further consideration of a climate bank and instead focus on proposals that protect the American people's tax dollars. Thank you for your time.

[The prepared statement of Mr. Isaac follows:]

Senator Inhofe. Okay, thank you very much. In the absence of our Chairman, I will go ahead with my questions, and I don't know who else is on WebEx. Do we have others? Okay, well, I will go ahead and start.

Mr. Isaac, earlier, I laid out my concerns that this bill lacks safeguards to prevent taxpayer dollars from subsidizing investments in liberal billionaires and other politically-connected individuals. We shouldn't be risking our hard-working people's tax dollars for investment in electrical vehicles or their charging stations for the residents of coastal States. If coastal States want to prop up green banks and subsidize their friends, then of course they can do it, but Oklahomans shouldn't be subsidizing them and risk investments.

Mr. Isaac, is it possible the way the bill is written for Elon Musk or some of his billionaire buddies to get funding for their green ideas?

Mr. Isaac. Absolutely, sir, and that is one of the reasons why I think people are fleeing California and moving to Texas and moving to Oklahoma, incredible, unreliable electricity, rolling outages were nothing new to them. Last August, when they happened, they were certainly something new to Texas, and that shouldn't be the case.

But there are some concerns about oversight, much like when I was an elected official, wouldn't hire an ethics attorney

without any experience. It is certainly a concern for oversight with the board for this particular piece of legislation.

Senator Inhofe. Yes, very good answer. Mr. Chairman, we went ahead and started without you. Would you like to have me complete my questions?

Senator Markey. [Presiding.] No, please.

Senator Inhofe. All right, that is fine.

Then also to you, Mr. Isaac, if Wall Street is already funding green projects to the tune of \$100 billion a year, won't a government program like this just fund the worst projects that can't compete for private funding? Would that be the case?

Mr. Isaac. Absolutely. When you look at what BlackRock is doing, they have over \$9 trillion in managed assets. When they are part of this Climate Action 100+, it is really a cartel that is colluding to force energy businesses to divest of their business models for arbitrary reductions in emissions that aren't even named in the act. The Climate Action 100+ manages over \$50 trillion in managed assets. That is a world leader.

Looking at BlackRock alone, if you just look at them, they manage, if that were GDP, they would be the third largest Country in the world, and they are just really 20 percent of a Climate Action 100+ that is really looking to discriminate against energy producers responsibly here in the United States, arguably more responsibly than anywhere else in the world.

Senator Inhofe. Thank you.

Commissioner Bell, you are from Wyoming, and you know well the benefits of coal, as you said in your testimony. This bill seeks to close coal-fired power plants through its Cash for Carbon Program. Commissioner Bell, will you speak to the economic impact this plan would have on coal country? You are coal country, and in a way, we are, too.

Mr. Bell. Certainly. Mr. Chairman, Senator Inhofe, thank you for that. I think that is why we would certainly be opposed to this. Coal really drives Wyoming, not only our area, but when I spoke in my testimony, all of our education in Wyoming is really funded by mineral production, most of that being coal.

From 2000 to now, COVID bonus money actually paid for \$2 billion of school facilities across the States of Wyoming. So really, there is no answer for what would be the impact to Wyoming with something like this. Thank you, Mr. Chairman.

Senator Inhofe. You bet. Would you expect Americans' energy bills to go up or down with the closing down of the coal-fired power plants?

Mr. Bell. I would certainly expect American's energy bills to go much higher. We are blessed with some very low energy prices in Wyoming, because we have mine mouth operations that provide incredibly affordable power. We can provide that to the rest of the United States, and extremely reliable power with

that coal, if allowed to do so.

Senator Inhofe. But it would result in much higher costs for energy?

Mr. Bell. No question.

Senator Inhofe. Mr. Chairman, in your absence, we finished the opening statements for our witnesses, and I used my time. Now I turn it back to you.

Senator Markey. Thank you, Senator Inhofe. Thank you so much.

Let me ask Mr. Hundt and Ms. Andrade questions about a bank and how it would operate, and who are the beneficiaries. Because of the success of these programs, States like Massachusetts and Alaska have instituted banks, and the good news is, a half a million people have moved to Massachusetts in just the last ten years. They are moving because of all of these great green things that we are doing up in Massachusetts, amongst other things.

So we have just got an incredible increase in our population as we are at the cutting edge in climate and clean energy issues. So as soon as these green banks start growing, their investments, we reap the benefits: good-paying, non-outsourcable blue-collar jobs.

That is the whole key to this bank concept. It is all local. None of this can go to China. None of this can be off-

shored. All of it is in the community. If someone wants the low-interest loans to redo the entire public housing system in West Virginia or Massachusetts, they can qualify for this. Low-interest with a high probability they are going to pay it back.

Default rates are very low in this bank model, and the community decides themselves if they are going to do it. No one makes them do it; it is just there, if it is going to be helpful to them.

Mr. Hundt, could you talk about this blue-collar job creation engine of a generation that could be the climate bank?

Mr. Hundt. Thank you, Mr. Chairman. The existing green banks, as I mentioned before, have about \$20 billion in backlog projects. What are those projects? They are the kind of things that Ms. Andrade already talked to you about. House by house, contractors looking to renovate those homes, looking to put solar on the roof, looking to make those homes more resilient in the face of storms. These are blue-collar jobs.

As we go across this Country, State by State, the impact of the climate crisis is quite a bit different in every State, but the one thing that is in common is that the rebuilding of the way we make energy and the way we distribute it and the way we consume it, in every single State is an opportunity to hire people at very, very well-paid jobs, literally in the job of rebuilding America.

Senator Markey. So, for example, give us a project, and tell us which different professions would have to get hired in order to complete that project.

Mr. Hundt. Let's take, as an example, a State where we have been talking to people right now who don't have the capital, want your bill to be passed, and want to be setting up a green bank. Let's talk about the State of West Virginia. In West Virginia, three quarters of all families own their own homes. That is much higher than the national average, but their median income is about \$45,000, and the home is worth, on average, about \$125,000.

So, when they have to look at the job of renovating to put solar on the roof, to put in the heat pump, to lower their costs for utilities, which right now, are running at about 10 percent of their income, when they look at what it costs to lower those particular expenses, what they are talking about is, can I pay to get a contractor to come in and do this work. Somebody to go on the roof, somebody to replace the window, somebody to put in the heat pump. Those are all different specialties, and there are people to do that work.

Senator Markey. So, they are electricians?

Mr. Hundt. Like an electrician, for example.

Senator Markey. They are carpenters, they are HVAC?

Mr. Hundt. That is all exactly right. Those are all

different people. Anybody that is ever been through a renovation has an idea of how many different specialties are required.

But here is the missing piece: they need a green bank to provide the upfront capital at a very low interest rate so that those people in those homes can afford to hire all those different work people.

Senator Markey. Okay. So, let me come back over to you, Ms. Andrade. Does the Solar and Energy Loan Fund that you run have a list of shovel-ready projects that would get people to work if we can pass an innovation bank, pass an accelerator that would get funding into the hands of people at the local-est of levels?

Ms. Andrade. Yes. We currently have about \$2 million in projects that are small, small-sized projects, average \$10,000 each, and that is just in the market that we are working in.

During COVID, we saw our loan activity explode. It more than doubled because people are working, playing, studying, doing everything at home, and they had to upgrade their homes so that they could afford to run air conditioners, they had to upgrade to high-efficiency air conditioners, they had to fix roofs.

Currently, that trend continues, where people need to rehab their homes, and especially low and moderate income people are

the ones disproportionately affected by climate impacts. Every year, we have people that are still recovering from Hurricane Irma, with tarps on their roofs, and not only Florida. We are talking about our current market, we already have \$2 million in projects, but then we are opening up south Florida in partnership with Miami-Dade County.

We have current partnerships with Orange County, with Hillsborough County, St. Pete. We create these public-private partnerships because we are also helping them as a tool for development in their communities. Furthermore, I just want to note that we are also about to pilot a program at the Atlanta Housing Authority in Georgia, where we are going to help fix up these low-income houses so that the lower-income tenants can benefit from energy savings.

Senator Markey. Again, and in fixing them up, who do you have to hire in order to do that? What community are you talking about?

Ms. Andrade. Let's say, in Florida, in St. Lucie County.

Senator Markey. In St. Lucie County.

Ms. Andrade. We have roofers, we have a/c installers, we have solar installers. Here is the thing: we have a green jobs training center that is been set up, creating hundreds of training of jobs, and these are jobs that are sustainable jobs. By the way, the green job industry is one of the fastest-growing

industries right now. People are going to work putting solar on roofs, installing a/c. This is a working-class, typical job that sustains hundreds and thousands of families in our Nation.

Senator Markey. Thank you so much. The Senator from Oklahoma?

Senator Inhofe. Thank you, Mr. Chairman.

Senator Markey. I am so sorry. Yeah, I did not recognize Senator Lummis so that she could ask her round of questions.

Senator Inhofe. Let me make a unanimous consent request to make as a part of the record, the American Enterprise Institute has a paper on this legislation. I would like to make this as a part of the record.

Senator Markey. Without objection.

[The referenced information follows:]

Senator Markey. Similarly, I would like to submit for the record testimony by Representative Debbie Dingell, who is the lead on companion legislation in the House that would create a National Climate Bank. Without objection, so ordered.

[The referenced information follows:]

Senator Markey. Senator Lummis, you are recognized.

Senator Lummis. Well, thank you, Chairman Markey, and I would sure like to see us focus on what can improve our air quality and improve the global climate, rather than picking winners and losers among the fuel sources, because we don't have to pick winners and losers.

Our guest from Wyoming, thank you so much for being here. We are already a leader in Wyoming on innovation when it comes to carbon capture utilization and storage. Commissioner Bell, can you talk about the great work that is happening in Wyoming at the Integrated Testing Center in Gillette?

Mr. Bell. Sure. Thank you, Mr. Chairman. Senator Lummis, thanks for the question.

The Integrated Test Center was host to the XPrize that actually just wrapped up. A team from UCLA injected flue gas, CO2 from a flue gas from the Dryfork Power Plant into concrete blocks that actually made those blocks stronger, more affordable.

On that same site, we have the Carbon Safe Project that is a University of Wyoming partner with Basin Electric and others to look at injecting 50 years' worth of CO2 from a power plant into the ground, and not only into the ground, but then looking at utilizing that in tertiary oil recovery. So it would be really nice to use some of our technologies to have an overall

American CO2 strategy using really, all of the above, like we are in Wyoming, so thank you for the question.

Senator Lummis. Yes, and I love what you are doing in Campbell County, because you are making the point that we don't have to eliminate fossil fuels in order to address climate issues and have clean air. What we need to do is innovate our way out of this, and Campbell County is leading the way to innovating in order to keep fossil fuels in the fuel mix in the cleanest way that they can possibly be produced. Kudos to Campbell County on that point.

I am really surprised at some of my Senate colleagues who want to have taxpayers spending on intermittent green technology, while completely dismissing nuclear power. So, this question is for Commissioner Bell and Mr. Isaac. What role should nuclear play in our energy mix going forward?

Mr. Bell. Mr. Chairman, Senator Lummis, I can go quickly, and then turn it over to Mr. Isaac. Really, what we need is an all of the above energy approach. I don't think anybody is going to be against green energy, but we need something that is going to be reliable. Nuclear is reliable; needs to be included. The same with fossil fuel energy. It needs to be included because it is reliable.

I will turn it over to Mr. Isaac. Thank you.

Mr. Isaac. Thank you, Commissioner. Thank you, Senator

Lummis, for the question.

When you look at nuclear, nuclear growth of reliable electricity should model GDP or our population, and we haven't seen that in years. It is a great baseload. It is not dispatchable, but it does provide a great baseload for our grid. We should be absolutely advocating for more nuclear.

It is reliable, as I said, but then we need those dispatchable forms, kinds that can be ramped up and ramped down: natural gas, coal technology. You look at the mix, I believe, in Wyoming, where I think there is some of the most beautiful environment in the world, and I believe 86 percent of their electric generation mix is from coal.

Then you look at the benefits from coal ash. We talked about CO2 being used to strengthen concrete. That is actually a mix of coal ash mixed in with concrete that makes it stronger. Now they are finding concentrations of rare earth elements a hundred times that found naturally, a hundred times the level of concentrations in coal ash. That stuff that is produced here in the United States, it is going into electronics. So there are some great opportunities, looking forward, to our energy here in the United States if we don't demonize some forms over others.

Senator Lummis. Thank you both.

With regard to the demonization, again, Commissioner Bell and Mr. Isaac, what would you say to people who have completely

dismissed the notion of clean energy coming from fossil fuels?

Mr. Isaac. I would look at our record over the last 50 years. We have reduced harmful pollution 77 percent, while we are increasing our GDP, increasing our energy use, increasing our miles traveled, increasing our population. Every economic measure shows that economic prosperity and environmental leadership go hand in hand.

Senator Lummis. Commissioner Bell?

Mr. Bell. Yes, Senator Lummis, thank you.

Every morning, I wake up, and most of the time, if it is not raining, I can see the Bighorn Mountains 50 miles away. So, it really is producing, like Mr. Isaac said, 86 percent of our electricity is coming from coal, and we have the most beautiful landscapes in all of the world, in my opinion. Wyoming is truly an amazing place, and I would welcome anybody to come out and see our place. Nobody cares about our area more than we do. Thank you.

Senator Lummis. Well, thank you both so much, and if I would just have one more comment. If we spent as much money on climate change in India as we spend in the United States, we could make so much more progress on climate change, because they need the help more than we do. Money we spend here makes incremental changes at this point. If we would spend that money in India, the whole globe would have much cleaner air and less

carbon.

Mr. Chairman, thank you. I yield back.

Senator Markey. Great. Thank you. I don't know if Senator Padilla is ready yet, but if he is not, and as soon as you are ready, Senator, please let us know.

Let me ask you, Mr. Hundt, in your role as founder and CEO of the Coalition for Green Capital, explain the difference between what you do and what Blackstone would do. We heard about Blackstone today. What is the target for the green bank that you are proposing?

Mr. Hundt. So, if you are working at Blackstone, and I have known the founder since college, so I think I speak from some knowledge, you are in the for-profit business in a very, very aggressive way. There is nothing wrong with capitalism, but the idea that 20, 25, 30 percent annual returns are possible in the kind of work that Duanne and I have been talking about, that is not viable. Those people in the examples today that I gave you of West Virginia, who need to spend \$40,000 renovating their house, on average, they can't be paying somebody, a financier from New York at a profit rate of 25 to 30. They need low-cost capital.

That is why the people in West Virginia are saying to us, please have this accelerator become law, and please set us up with capital, and as I mentioned before, we have 37 States where

that is the picture all across the Country.

I am not saying that we shouldn't have capitalism; that is why the seven private dollars are going to join with the one public dollar. But we need that special mix to be able to make sure that we are not pricing all these changes right out of the market and having it be that we have a two-tier system. If you are really, really rich, you can have solar on the roof, and if you aren't, too bad for you. That is exactly what you are trying to break through with your bill.

Senator Markey. So, you are saying, Blackstone's not going to West Virginia, but this bank would be going there, up and down the streets of Charleston and Wheeling, and out in the rural parts of West Virginia, providing the very low-cost capital for individuals and small communities?

Mr. Hundt. Exactly.

Senator Markey. Yes. So, I think we should divide this question, just so we understand what the difference is, and why this bank is so necessary and so local. Again, Senator Padilla, I don't know if you have joined us that, but pending that, let me recognize the Senator from Oklahoma again.

Senator Inhofe. Well, I appreciate that, Mr. Chairman. I do have a commitment on the Floor in just 15 minutes, so I would just like to get a couple things with our great witnesses that we have today.

First of all, Commissioner Bell, the White House Climate Czar, John Kerry, says that fossil energy workers can make solar panels, but Secretary Kerry refuses to acknowledge solar installers earn far less than oil rig workers or coal miners, which would be devastating to millions of hard-working Americans. Commissioner Bell, do you share my concern for lost wages under Secretary Kerry's Green New Deal, green scenario for fossil energy workers?

Mr. Bell. Senator Inhofe, thank you for that question. Yes, it really, really concerns me that those jobs would not be located in Wyoming, for one, and that those jobs aren't going to be the same wages as mineral production. It really concerns me. I don't think that what he is proposing, honestly, is feasible. Thank you.

Senator Inhofe. What do you think about that, Mr. Isaac?

Mr. Isaac. Yes,, I think it is, again, this fixation on carbon dioxide. Again, if we eliminate all fossil fuel use by 2030, doubling President Biden's ambitious goal, the temperature mitigation using the same models that the United Nations and intergovernmental panel on climate change uses would mean there would be a less than two-tenths of a degree difference by the end of the century. But we would increase electricity costs more than twofold on the American consumers, for products that are predominantly made overseas, whether it is the rare earth

elements that go into wind and solar technology that are mined in China, and places like the Congo in Africa that do not have the environmental or labor standards that we do here in the United States.

UNICEF reports that over 40,000 children between the ages of four years old and 13-year-olds are working in mines in the Congo. Forty thousand children mining, so that we can have our solar panels and our electric cars and our computer technology, and those components that they are mining are all here in the United States. We should be mining and producing those products right here in the United States with our environmental leadership record that we have. Number one, when it comes to access for clean and safe drinking water in the world, and number one when it comes to reducing harmful pollutions of highly populated countries.

Senator Inhofe. Yes. I appreciate that, and I think you covered it very well, the successes that we have had here, particularly in the United States.

As you know, the Board of Directors would be entirely controlled under this advisory committee experience that we are talking about today, be controlled by Washington. Another serious fault is the structure of its 13-member advisory board, which would be chosen by the board of directors. The advisory committee would be responsible for advising the bank on its

investment programs and briefing Congress on bank activities. None of the advisory committee members would be required to have any banking sector experience.

I don't think I have ever run into this before, where they are putting someone in that advisory category that doesn't have any background in it at all. Do you agree that any bank advisory committee that lacks the banking sector experience would be imprudent and highly unusual? Can you think of any examples where that is actually happening today?

Mr. Isaac. It would be incredibly unusual. Yes, I mentioned ethics attorneys, I wouldn't hire one that didn't have experience. My accountant, I wouldn't hire one fresh out of college, or maybe one that had no college experience whatsoever. That would be incredibly alarming to me.

But you look at the Electric Reliability Council of Texas, and a lot of this came to light after the freeze that we saw in Texas in February, there were numerous board members, self-appointed, picked by the industry, that didn't even live in the United States, that didn't live in Texas. They certainly weren't served or lived in the area that they were supposed to be serving in that electric grid in Texas.

It is much like, you are supposed to represent members of the State where you are from. You certainly don't want someone representing Oklahoma that is not from Oklahoma in the U.S.

Senate, so that Board of Directors raises some alarms for me, just based on some recent experience that we have seen in Texas, and how unreliable our grid proved to be because we had outside leadership managing our grid that weren't from Texas.

Senator Inhofe. That is good. That is a great statement. Mr. Chairman, I do have a commitment on the Floor, but I appreciate very much the opportunity for our witnesses to be heard, because it is a significant piece of legislation, and we have opinions on it, as we have expressed.

Senator Markey. Absolutely. Thank you for being here, Senator. Much appreciated.

Again, I just want to come back to the mistaken notion about reducing greenhouse gases and increasing the economy in our Country. Massachusetts, again, is a great example where, from 2005 until 2017, Massachusetts cut our emissions by 25 percent, and from 2005 and 2017, our economy went up 30 percent.

So, there is just a mistaken notion out there with regard to what happens when you make an effort to reduce greenhouse gases. Massachusetts is a perfect example, and a half a million people moved to our State in the last 10 years. So there is a model out there for, as my mother would say, working smarter, not harder, and taking low-cost capital to unleash a blue-collar job revolution in our Country on things that a community needs anyway.

A homeowner, the local mayor, something that will help them to do something and use local construction workers in community after community, not just in a small number of States, but in every State in the United States would be a beneficiary of this.

I would like, if I may, Mr. Hundt, just to focus upon an analysis done by Vivid Economics that determined that the National Climate Bank could create more than four million jobs in four years if it was capitalized as \$100 billion, and it would generate more than a seven-fold return on investment. Could you focus upon that? Four million jobs in four years, in our Country, using a green bank.

Mr. Hundt. The reason that Vivid reached that conclusion is that they were able to talk to the existing green banks, like the one in Florida that you already heard about. They looked at the backlogged projects, the projects that should be being done right now by those electricians and roofers and other specialty people in the workforce. They should be underway right now, but they are not occurring because of the lack of capital, because the money hasn't gone to this National Climate Bank, and we haven't yet got it, and we haven't yet been able to pass it on to the network of State and local green banks.

Let's just take Alaska, for example. The Republican Governor Mike Dunleavy introduced legislation to create a green bank. He doesn't have the funding for it. He is counting on

this Accelerator becoming law.

What does he want to do with the money? What he wants to do is address the indigenous population and the many people in Alaska who live, literally, off the grid, and the kind of projects that they would be engaged in in order to generate electricity, in order to store electricity, are small projects. We are not talking here about billionaires who want to go to Mars with their money, we are talking about people in local communities who would be hiring people locally to rebuild the economy on a local basis.

That is what would occur in Massachusetts and in Alabama, in Wyoming, Alaska, all across our Country, and by doing that, by showing that we can do this on a State-by-State, county-by-county, town-by-town, neighborhood-by-neighborhood basis, we will be showing the whole world how to have this great change occur, and there is not a moment to lose.

Senator Markey. Yes. Again, people who are saying no to this are also saying no to four million new blue-collar jobs in our Country when we desperately need it. So there have to be, in my opinion, better arguments that are made against this bank than what we have heard so far today, because that is saying to four million families, four million individuals, we are going to deny you, over the next four years, a job. I haven't heard yet good answers as to why that should not be the case.

At a public event last week, Cecil Roberts, the President of United Mine Workers of America, made news when he acknowledged a change in coming to coal country, whether people like it or not. Seven thousand coal workers lost their jobs last year alone. The United Mine Workers extended a hand to the Biden Administration, saying they will join in supporting investments in a clean energy future, but they need to be investing in energy communities that have been left behind.

Mr. Hundt, how would a National Climate Bank help average citizens help leverage private capital off the sidelines for carbon capture and other technologies that clean up our industrial and energy sectors?

Mr. Hundt. The United Mine Workers of America's statement that you just referenced, Mr. Chairman, includes a list of things that they feel are necessary to address the coal mining communities in which they are working. At least several of those provisions specifically are authorized for the Accelerator to do by your legislation.

The second thing that I would like to point out is that the impact on tax revenues that was referenced by Commissioner Bell, that is another activity in which the Accelerator could, through a State and local green bank, act in a particular community to ease the transition.

Then most importantly of all, as we have talked about, all

of the projects, from the very small to even the very large, that would be part of this grand rebuilding of the power platform of America would create new opportunities, not in some other Country, or not just in one or two States, but literally everywhere in the Country.

Senator Markey. Thank you. And would the National Climate Bank sustain investment into local projects and communities for decades without requiring decades of federal risk or continued appropriations?

Mr. Hundt. The way your bill correctly proceeds is to have this initial deposit of \$100 billion of capital. Then on the basis of that, the private sector would come in and sometimes invest in projects along with the green bank, and sometimes rely on the green bank as security, as it made the investments on its own.

But that is why you were right earlier when you said, by every dollar that you deposit of public money, you are going to be able to attract, over a decade, \$7 of private sector money. This is the best bang for the buck idea of the entire American Jobs Plan.

Senator Markey. I agree with you, 100 percent, and I agree with the testimony of Ms. Andrade, as well. This is just a job creation engine. This is something that would unleash amazing amount of investment at the most local of level in 50 different

States, which is why Don Young, very conservative member from Alaska, Republican, has endorsed this approach.

We are not just talking about Massachusetts or California. We are talking about Alaska, we are talking about West Virginia, we are talking about every State in the Union. Every State in the Union should be able to take advantage of this incredible technological revolution that is going on out there, but knowing that it is going to be blue-collar workers who do the job.

So, I can't thank you all enough for your testimony here today. I would like to ask unanimous consent to submit for the record a number of reports and articles that highlight the scale of investment in renewable energy, energy efficiency that is needed to decarbonize our economy while addressing historic inequities that will build a more prosperous America for everyone.

Those materials, I think, will actually make it clear what the structure has to be for our future to make us more resilient, so we avoid the tragedy of what happened in Texas, so we anticipate the longer-term impacts that the climate are going to have on our Country.

[The referenced information follows:]

Senator Markey. We have had, in my opinion, a heartening and educational discussion today concerning this important piece of legislation.

I would like to again extend my sincere gratitude to our witnesses, for those of you who are joining us on WebEx, as well.

For some final housekeeping, Senators will be allowed to submit questions for the record through the close of business on Tuesday, May 11th, 2021. We will compile those questions and send them to our witnesses, and ask that our witnesses reply by May 25th, 2021, so we thank all of our witnesses. We thank all of the Senators for participating today.

With that, this hearing is adjourned.

[Whereupon, at 4:12 p.m., the hearing was adjourned.]