

**Testimony of Chris Van Hollen
United States Senator for Maryland**

**Before the Senate Committee on Environment and Public Works
Subcommittee on Clean Air, Climate, and Nuclear Safety
Hearing on S. 283 National Climate Bank Act
April 27, 2021**

Thank you Chairman Markey. Let me start by thanking you, Ranking Member Inhofe, and all of our colleagues on this Subcommittee for your good work. I'm pleased to join you – both as a proud alumnus of the Environment and Public Works Committee and as the co-author, with Chairman Markey, of the *National Climate Bank Act*.

I believe we have a duty to avoid the ongoing and rising harm and disruption caused by huge emissions of greenhouse gasses. The costs of doing nothing about climate change are 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 that put people to work addressing this urgent crisis. And 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 know the economic stakes. Every day, China pours more and more money into clean energy in a push to corner the market. It's part of both their "Made in China 2025" plan and their most recent five-year plan approved in March. Earlier this month, China's National Energy Administration announced it intends to have increased solar and wind power from 9.7% of the country's total power consumption in 2020 to 16.5% by 2025 – that's an approximately 7% jump from where they are today. In the U.S., wind and solar currently account for a mere 3.8% of our total energy consumption. As they expand that capacity in China, they will also export it to the world, generating more jobs in China. If we don't get in the game, we will fall behind on clean energy just as we did with 5G technology.

Our own National Academies of Sciences, Engineering, and Medicine projected in February that we'll need to mobilize \$2 trillion in clean energy investments over the next ten years to meet our climate goals. To achieve that goal, they recommend that we create a National Clean Energy Accelerator — just as we propose 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's estimated that for every \$1 we put into this Accelerator, we will draw in \$3

to \$5 of private investment. That is a public-private partnership with a great multiplier effect, and it will give pioneering companies 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 and establish this kind of Clean Energy Accelerator. That proposal was included in the American Clean Energy and Security Act, also known as the Waxman-Markey bill, which passed the House in 2009. And while the Waxman-Markey bill never made it out of the Senate, the idea of establishing Green Banks caught fire in different parts of the country. In fact, one thing that the very different states of Louisiana, Ohio, Maryland, and Hawaii all have in common is that each of them is home to an American Climate Bank. Today, Climate Banks exist and are being developed in 37 states and DC – and are supported by governors of both parties. These local Clean Energy Accelerators have already generated \$5.3 billion in clean energy investment in the last decade and \$1.5 billion in 2019.

But while they are generating important clean energy investments, they alone cannot begin to meet the scale of the challenge. For that we need a National Clean Energy Accelerator that would channel more funds to support these local initiatives and take on national clean energy projects. In doing so, we can turbocharge private investment, fortify our energy grid, and create millions of clean energy jobs – including in those communities where fossil fuel plants have closed. And 40% of the investments made by our proposed Clean Energy Accelerator would be directed to underrepresented groups to ensure that historically disadvantaged communities aren't locked out of the transition.

President Biden believes in this vision too, and he has included a Clean Energy Accelerator in his American Jobs Plan.

To give you a sense of what these numbers look like in practice, I want to talk about a Baltimore-based Climate Bank called the Climate Access Fund. With long-term affordable capital from a National Clean Energy Accelerator, the Baltimore Climate Access Fund would be able to deliver rooftop solar to low-income households and renters across the country. They'd require over \$100 billion in total investment to serve four million low-to-moderate income households – but that investment would decrease household energy costs by 20% in cities like Baltimore.

Colleagues, I urge you to seize this opportunity and join me, Senator Markey, and bipartisan leaders around the country in supporting a National Clean Energy Accelerator. Thank you.