



## COMMONWEALTH of VIRGINIA Office of the Governor

### SENATE BILL 1666 (Lewis); HOUSE Bill \_\_\_\_\_ (TBD) Virginia Coastal Protection Act

#### Background and Talking Points

##### Details of Legislation

- The bill would allow for revenues generated through the Regional Greenhouse Gas Initiative to be allocated by the General Assembly as follows:
- \$50 million per year (77 percent) of those proceeds will go into the Shoreline Resilience Fund, a fund that the General Assembly created to help localities pay for flood protection and hazard mitigation.
- \$6.5 million (10 percent) to energy efficiency programs that will, along with the \$1.1 billion investment included in last year's energy legislation, help reduce customer bills. Part of this funding will be designated for programs that reduce bills for lower-income customers.
- \$6.5 million (10 percent) to economic development, job training, and education programs for hard hit coal communities.

##### Background on Recurrent Flooding and Coastal Resilience

- Sea level rise, land subsidence, higher average temperatures, more frequent and intense weather events, severe drought, and increased development have exacerbated risk from natural hazards across the Commonwealth of Virginia, and will continue to do so. Virginia has experienced a 250 percent increase in federally declared disasters over the past 20 years: these include declarations for flooding, hurricanes, severe storms, and wildfire.
- The best available science predicts that this trend will continue to worsen. A recent report from the United Nations Intergovernmental Panel on Climate Change states that the world is likely to experience dramatic increases in coastal flooding and severe weather events, even with extreme action to reduce carbon emissions.
- The most recent National Climate Assessment reported that the intensity, frequency, and duration of North Atlantic *hurricanes*, as well as the frequency of the strongest *hurricanes*, have all *increased*. And while we were fortunate that Virginia did not bear the very worst of Hurricanes Florence and Michael, we still experienced tragic loss of life and property. It is only a matter of time before the next storm hits.

- Water levels in the Hampton Roads region, for example, are now 18 inches higher than they were a century ago, and continuing to rise. The relative rate of change in Hampton Roads is faster than anywhere else on the East Coast.
- Ratings agencies and businesses looking to grow in Virginia have realized that resilience is a key issue and have expressed that Virginia's bond rating and future growth will be impacted by how resilient the state is.
- A recent study by the Union of Concerned Scientists found that within the next 15 years roughly 147,000 existing homes and 7,000 commercial properties in the coastal United States are at risk of flooding an average of 26 times per year, or more. By the end of the 21st century, nationwide, nearly 2.5 million residential and commercial properties, collectively valued at \$1.07 trillion today, will be at risk of chronic flooding.
- Another report from the Union of Concerned scientists found that by 2050, three military installations in the region will experience 10 times the number of floods they experience today. Joint Base Langley-Eustis and Naval Air Station Oceana Dam Neck Annex, are at risk of losing between 75 and 95 percent of their land by the end of this century. As sea levels in the region rise between 3.5 to 7 feet before the end of the century, the Norfolk Naval Station will also be at risk.
- The Coastal Protection Act would provide an estimated \$50 million per year to help coastal communities better prepare and plan for flooding and other natural hazards.

#### *Recurrent Flooding is a Bipartisan Issue*

- Later this year, Virginia DEQ will finalize regulations to limit carbon dioxide emissions from fossil fuel power plants and will join the Regional Greenhouse Gas Initiative. Once in place, the rule will allow for the trading of carbon credits and revenue generation. The Northam Administration does not need legislative action to join RGGI and generate revenue.
- However, under the rule, the proceeds from carbon credits will return to polluters. If the Coastal Protection Act becomes law, an estimated \$50 million per year (77 percent) of those proceeds will go into a fund to help localities pay for flood protection and hazard mitigation.
- One need not agree on climate change to vote for this bill. The regulation that DEQ is finalizing now will force big power plants in Virginia to reduce their carbon emissions through a regional trading model whether this bill passes or not. The question is whether or not the General Assembly wishes to reinvest this money to improve the resilience of the Commonwealth to extreme weather, sea level rise and recurrent flooding.