



**Testimony submitted to the Joint Committee on Financial Services
H.3774/S.675 – An Act creating a climate bank in Massachusetts
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October 24, 2023**

The League of Women Voters of Massachusetts is submitting this testimony in support of green financing through the establishment of a climate or “green” bank.

This past June, the Healey Administration announced the creation of the Massachusetts Community Climate Bank seeded with a \$50 million fund, a first-in-the nation effort dedicated to affordable housing – an area historically resistant to attracting capital for energy efficiency upgrades and sorely in need of attention and support. Standing up the Community Bank also reinforces the state’s commitment to equity and serves as a model for other states. Importantly, creating the bank through the administration allowed it to be rolled out in time to apply for federal funding through the Greenhouse Gas Reduction Fund as quickly as possible. The League applauds and fully supports this effort.

But given the scope, scale and urgency of what needs to be accomplished to decarbonize our economy, the League strongly supports legislation to establish a climate bank to promote clean energy technology adoption and ongoing innovation. The federal government is committed to supporting state level green banks which will be able to access both state and federal dollars.

The League supports S.675/H.3774 because it provides the structure, incentives, measurement and reporting requirements that underpin success. S.675/H.3774 also places the bank within the Mass Clean Energy Center, a logical and practical option given the Center’s established role, experience and expertise in administering other clean energy programs for the state. Having all these programs “under one roof” will make access and administration much easier for all. Dialogue with the Healey Administration will ensure a smooth interface between the operations of the Community Bank and a legislatively established climate bank.

Climate banks are not new. The Connecticut Green Bank, established in 2011 as the first Green Bank in the country, is also one of the most successful banks in the country. We are in a race to decarbonize our society as quickly as possible and strong public-private partnerships to generate money for innovation and adoption will be essential to accelerating this work.

In 2022, climate disasters in the US cost \$165 billion. And that was last year. 2023 has shocked us with the ferocity and frequency of unprecedented storms, heat, fires and flooding. It’s clear that these are not one-off events. More is headed our way. With more and more money going to repair damage already done, we need to do all we can to ensure there will be enough funding to support what needs to be done to build the equitable clean energy system required to avert the most harmful impacts of climate change.

The League of Women Voters of Massachusetts and our 44 local Leagues (serving over 100 communities) from Cape Cod to the Berkshires urge you to report H.3774/S.675 favorably, as quickly as possible.