

Transportation Equity Trends in the *2022 State Energy Efficiency Scorecard*: Guidance for State Decision Makers

JULY 5TH, 2023

Through ACEEE's Leading with Equity Initiative, the 2022 State Scorecard significantly increased its focus on social equity. Results from our scoring indicated states particularly need to improve in advancing equity in the transportation sector. Only four states and DC received full credit for the equity metrics in the *State Scorecard*'s transportation chapter, while 23 states received some credit and 23 states earned no credit at all. Because the transportation sector is the largest source of carbon pollution in the United States, taking state-level action in the sector is essential to reaching a clean energy future. At the same time, equitably decarbonizing the transportation sector can provide communities that have experienced disinvestment with additional benefits, including increased economic opportunity, improved access to clean mobility options, and reduced respiratory illnesses thanks to decreased pollution.

The *2022 State Scorecard* assessed two metrics related to equitable transportation decarbonization, described in table 1:

Metric	Criteria	Score
Equitable transportation electrification	State has a dedicated funding stream for electric vehicle (EV) and EV charging infrastructure deployment in low-income, environmental justice, and underserved communities. This funding stream can be ratepayer or taxpayer funded.	1
Equitable access to public transit	State has a policy in place to encourage affordable housing in transit-oriented neighborhoods.	0.5
	State uses distance from transit facilities as a criterion for awarding federal low-income tax credits to qualifying property owners.	0.5

Table 1. Transportation equity metrics in the 2022 State Energy Efficiency Scorecard

Below, we profile two example initiatives that can inspire other states to extend the benefits of equitable, efficient transportation to all their residents.

CASE STUDY: NEW YORK STATE STEERS TRANSPORTATION ELECTRIFICATION TO DISADVANTAGED COMMUNITIES Strategy type: Equitable transportation electrification

Through the <u>Climate Leadership and Community Protection Act</u>, New York requires programs to target at least 35% of benefits from electric vehicle investments to disadvantaged communities.¹ By setting a specific standard for allocating resources, the state intends to ensure projects are designed to prioritize communities most in need of

investment.

In 2020 New York's Public Service Commission launched the <u>EV Make-Ready Program</u> to increase resources for electric vehicle infrastructure. This initiative included \$206 million designated to benefit disadvantaged communities. These communities were eligible to receive up to 100% of the cost of building a Level 2 or direct-current fast charger charging station. <u>NYSERDA's Charge Ready NY</u> program, which provided a \$4,000 rebate for each EV charging station port, offered an additional \$500 for each port located in a disadvantaged community. Reducing infrastructure costs helps disadvantaged communities access electric transportation options.

Additionally, the <u>New York Clean Transportation Prizes</u> awarded \$85 million to projects that are equitably reducing emissions and increasing electrification in disadvantaged communities. Three prize areas were: programs reducing harmful air pollution in environmental justice areas, high-impact electric mobility projects meeting the needs of disadvantaged communities, and electrification of medium- and heavy-duty vehicles in disadvantaged communities. Seventeen finalists received funding to incorporate community feedback in their project proposals and for project planning support. The 10 grand prize awardees provide examples of planned equitable transportation electrification projects that can inspire efforts in other states.

¹ See <u>New York State Senate Bill S6599</u> section 75-0101 for New York's definition of *disadvantaged community*.

CASE STUDY: MINNESOTA ADVANCES EQUITABLE ACCESS TO PUBLIC TRANSIT

Strategy type: Equitable access to public transit

Through Minnesota's Land Acquisition for Affordable New Development (LAAND) program, the state provides loans for the development of affordable housing near transit options. Eligible local governments and nonprofits can receive loans to help them with land costs associated with developing affordable housing. One of the goals of the program is to ensure that housing development is sufficiently dense to minimize vehicle miles traveled. Therefore, projects receive priority consideration if they are located within 0.5 miles of a section of the state's "transitways" based on the state's transportation plan or within 0.5 miles of a bus route or park-and-ride facility. This ensures that affordable housing resources are focused on projects that will give residents access to transit.

Minnesota also supports access to transit for residents of affordable housing through its <u>Low-Income Housing Tax Credit Program</u>. This program provides lowered tax liability for the building of affordable rental units. When allocating resources to projects, the state considers transit access and walkability. Specifically, projects receive higher priority if they are close to transit (within 0.5 miles of a light rail, rail or mass transit stop, 0.25 miles of a high service bus route, or served by dial-a-ride services) or walkable (based on <u>walkscore</u>).

Creating a More Equitable Transportation System

State decision makers can learn from other states already taking action on equitable transportation decarbonization; California, Connecticut, Massachusetts, Missouri, and the District of Columbia received full credit for the *State Scorecard* equitable transportation metrics. States can ensure benefits reach communities that have experienced disinvestment by steering electrification efforts to priority communities and incentivizing the creation of affordable housing near transit, among other policies. Check out the *2022 State Energy Efficiency Scorecard* for a full picture of the equity-related actions for all sectors, including transportation, and <u>ACEEE's State Policy Database</u> for a more detailed description of state initiatives. To learn more about what states are doing to equitably electrify the transportation system, read <u>ACEEE's State Transportation Electrification Scorecard</u>. You can contact Amanda Dewey (adewey@aceee.org) or Emma Runge (erunge@aceee.org) with any questions.