

Justice 40 Overview



The Origins of Justice 40

The Justice40 initiative was established by Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*, which mandates that 40% of the overall benefits of certain federal investments flow to disadvantaged communities.



EO 14008, Section 223

40% of the overall benefits of certain Federal investments—including investments in clean energy and energy efficiency; clean transit; affordable and sustainable housing; training and workforce development; the remediation and reduction of legacy pollution; and the development of clean water infrastructure—must flow to disadvantaged communities.



Guiding Documents

Various documents offer guidance on implementing Justice 40. These include:

- EO 14008
- WHEJAC Recommendations
- Interim Implementation Guidance for the Justice 40 Initiative



What is covered by Justice 40?

A Federal Government program that makes investments in one or more of the following seven areas:

- ✓ Climate change
- ✓ Clean energy and energy efficiency
- ✓ Clean transportation
- ✓ Affordable and sustainable housing
- ✓ Training and workforce development (related to climate, environment, clean energy, clean transportation, housing, water and wastewater infrastructure, and legacy pollution reduction, including in energy communities)
- ✓ Remediation and reduction of legacy pollution
- ✓ Critical clean water and waste infrastructure

A Federal investment in one or more of the following categories:

- ✓ Federal financial assistance as defined at 2 CFR 200, including both Federal grants as well as other types of financial assistance (including loans, credit, guarantees, or direct spending/benefits);
- ✓ Direct payments or benefits to individuals;
- ✓ Federal procurement benefits (acquisition of goods and services for the Federal government's own use);
- ✓ Programmatic Federal staffing costs (e.g. federal pay for staff that provide technical assistance); and
- ✓ Additional federal investments under covered programs as determined by OMB.

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WHAT IS A DISADVANTAGED COMMUNITY?

Per the <u>Interim</u> <u>Implementation Guidance for</u> <u>the Justice40 Initiative</u>.

Community:

- Group of individuals living in geographic proximity to one another, or
- A geographically dispersed set of individuals (such as migrant workers or Native Americans), where either type of group experiences common conditions.

Disadvantaged:

- Low income, high and/or persistent poverty;
- High unemployment and underemployment;
- Racial and ethnic segregation;
- Linguistic isolation;
- High housing cost burden and substandard housing;
- Distressed neighborhoods;
- High transportation cost burden and/or low transportation access;
- Disproportionate environmental stressor burden and high cumulative impacts;
- Limited water and sanitation access and affordability;
- Disproportionate impacts from climate change;
- High energy cost burden and low energy access.;
- Jobs lost through the energy transition; or
- Access to healthcare.

Deadlines and Deliverables from EO 14008

- Within 120 days of the issuance of EO 14008, the Chair of the Council on Environmental Quality, the Director of the Office of Management and Budget, and the National Climate Advisor, in consultation with the Advisory Council, shall jointly publish recommendations on how certain Federal investments might be made toward a goal that 40 percent of the overall benefits flow to disadvantaged communities. (EO 14008, Section A)
- Within 180 days of the issuance of EO 14008, agency heads shall identify applicable program investment funds based on the recommendations and consider interim investment guidance to relevant program staff, as appropriate and consistent with applicable law. (EO 14008, Section A)
- By February 2022, the Director of the Office of Management and Budget, in coordination with the Chair of the Council on Environmental Quality, the Administrator of the United States Digital Service, and other relevant agency heads, shall, to the extent consistent with applicable law, publish on a public website an annual Environmental Justice Scorecard detailing agency environmental justice performance measures. (EO 14008, Section A)

Deadlines and Deliverables from Interim Guidance

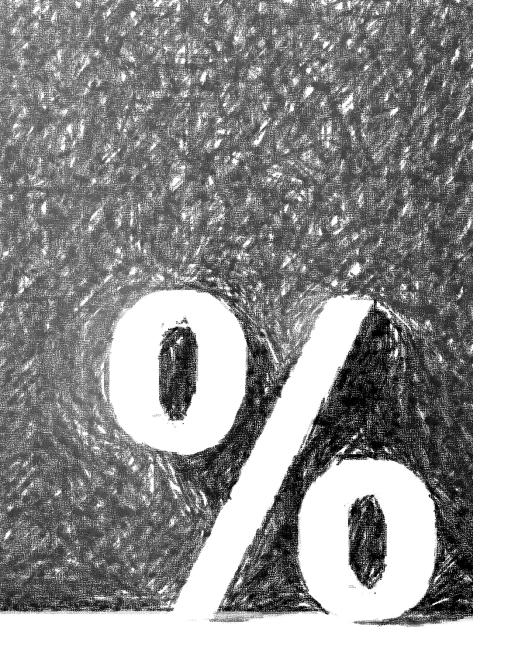
- Within 150 days of the issuance of the Interim Guidance, each agency to deliver to OMB a methodology for calculating the covered program benefits accruing to disadvantaged communities. This methodology should also include a description of the metrics that the agency is developing to measure covered program benefits.
- In accordance with the Interim Guidance, "21 programs...will undertake an initial implementation of the Justice 40 Interim Implementation Guidance...[and] the agencies with covered programs listed in Appendix A [of the Interim Guidance] are directed to:"
 - Within 30 days of issuance of the Interim Guidance, develop a plan to engage stakeholders relevant to the covered agency program.
 - Within 60 days of issuance of the Interim Guidance, develop a draft implementation plan.
 - Within 60 days of issuance of the Interim Guidance, provide a methodology for calculating, the covered program benefits 10 accruing generally and to disadvantaged communities.

Interim Implementation Guidance for the Justice 40 Initiative



Justice 40 at DOE

Within DOE, this initiative is currently led by the Office of Economic Impact and Diversity under Deputy Director Shalanda Baker.



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What is Justice 40? In Three Buckets...

40% of overall benefits

How do we measure and track the benefits of J40 investments?

of certain Federal investments

How do we define J40 investments?

must flow to disadvantaged communities

How do we define disadvantaged communities?



Justice40

provides a pathway for <u>equitable</u> deep decarbonization that <u>transforms</u> and <u>builds wealth</u> in underserved/overburdened communities.



DOE Justice 40 Policy Priorities

- (1) Decrease **energy burden** in DACs.
- (2) Decrease **exposure to pollutants and environmental burdens** in DACs
- (3) Create solar parity and increase clean energy access in DACs.
- (4) Increase access to low-cost capital in DACs.
- (5) Increase **enterprise creation** in the clean energy sector in DACs.
- (6) Increase **clean energy job pipeline** and job training for individuals from DACs.
- (7) Increase **energy resiliency** in DACs.
- (8) Increase **energy democracy** in DACs.

DOE Disadvantaged Communities Definition

- Demographics (e.g., aged 65 and older)
- Socioeconomic Status (e.g., less than high school education, low-income)
- Energy Burdens
- Housing and Transportation Burdens
- Environmental (Pollution) and Climate Hazards

Focus: Cumulative burden

Inputs to DOE Justice 40 DACs

ENERGY BURDEN (4)

Transportation Burden
Energy Burden
Power outages
Duration of outages

VULNERABLE POPULATIONS (20)

Housing burden Renters*
Food desert No internet
Job access (-) Uninsured
Park access (-) Disability

Commutes > 30 mins* Incomplete plumbing

No vehicle* Single parents
Nonwhite* Mobile homes
Low Income* Unhoused

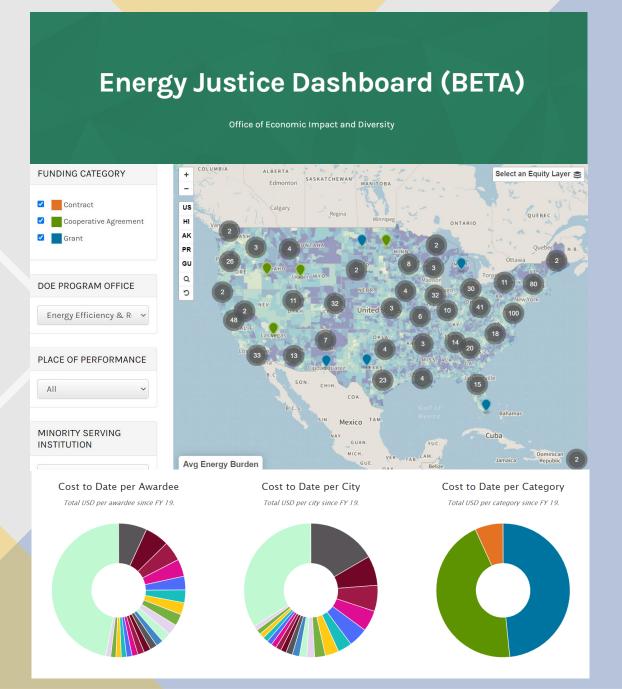
No GED* Age over 65* Linguistic Isolation* Unemployed

ENVIRONMENTAL/ CLIMATE HAZARDS (10)

Lead paint
Diesel particulates
Cancer
Traffic volume
Water discharge
NPL sites
RMP facilities
TSD facilities
FEMA climate risk
PM 2.5

^{*} Denotes that these variables are not inherently negative, but increase the vulnerability of the population to climate, environmental, and energy hazards

A tool to measure and track DOE progress toward Justice 40.





Working Groups

- Our metrics working group is helping us understand how we serve disadvantaged communities. This team includes diverse research, policy, and outreach folks across the Department and is helping identify and define J40-relevant investment benefits.
- Our Community of Practice team at DOE organizes a bi-weekly meeting with over 25 program offices across the DOE complex and ensures that deliverables from the interim guidance are met. This Community of Practice is a means to collaborate between the various DOE offices, and to further institutionalize Justice 40 as a central effort at DOE.
- Our stakeholder engagement working group is helping us understand how we engage with stakeholders around the country and works to improve our engagement with frontline communities.
- Our landscape team is helping us understand the current landscape that Justice 40 is entering.
 That team is working on research papers and analysis of current community engagement
 practices across states and localities.
- Our modeling working group is working on creating a model that can demonstrate the effects of various interventions, from weatherization to solar, in disadvantaged communities.



Developing Policy Proposals

- Create a Justice 40 research agenda at DOE to better understand energy issues confronting Black, Indigenous, and people of color (BIPOC), and low- to moderate-income households.
- Reduce energy costs and increase access to clean energy, including a plan for disadvantaged households to access low-cost capital for solar and storage.
- Create BIPOC-owned clean energy businesses and jobs in disadvantaged communities.



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