JANUARY 2022

COMMENTARY ON GOVERNOR ROY COOPER'S EXECUTIVE ORDER 246

James H. Johnson Jr., Ph.D. William R. Kenan Jr. Distinguished Professor of Strategy and Entrepreneurship, Director of the Urban Investment Strategies Center



Commentary on Governor Roy Cooper's Executive Order 246¹

Thank you, Governor Cooper, for taking bold actions in Executive Order 246 to transition North Carolina to a green economy by 2030.² The environmental justice provisions in this Executive Order go a long way toward ensuring that the state can achieve the exemplary public health equity goals and targeted outcomes set forth in the recently released *Healthy North Carolina 2030: A Path Toward Health* report.³

Far too often North Carolina's reputation as one of the nation's most attractive migration destinations is compromised by a host of environmental justice and other social, economic, and health equity issues. Environmental justice concerns particularly can tarnish the state's image as an attractive, prosperous, and inclusive place to live, work, play, and do business, derailing in the process future growth if left unaddressed.⁴

The 2020 Census revealed that 95 percent of the state's growth over the previous decade was concentrated in 15 counties that are mainly urban in character and/or rich in amenities. The remaining 85 counties experienced slow growth, no growth, or population decline. The majority of these mostly rural counties have aging populations and a host of environmental justice communities whose residents suffer from the cumulative impacts of exposures to air- and water-borne toxic releases from multiple polluting industries and other locally unwanted land uses as well as destructive weather events that adversely affect—repeatedly in some instances—community health and wellbeing as well as life expectancy.⁵

In several important ways, Executive Order 246 casts new light on environmental injustices and imposes greater accountability on the state to address environmental inequities.

¹ Invited remarks at the signing ceremony for Governor Roy Cooper's Executive Order 246, January 7, 2022, at A&T State University, Greensboro, NC.

² Executive Order 246 is available at https://governor.nc.gov/news/press-releases/2022/01/07/governor-cooper-signs-executive-order-detailing-next-steps-path-clean-energyand-equitable-economy. Also see Adam Wagner, 2022, "With Executive Order, Cooper Targets Transportation for Next NC Emission Cuts," News and Observer, January 7, available at https://www.newsobserver.com/news/politics-government/article257104077.html

³ See NCIOM, 2021, Health North Carolina 2030, available at https://nciom.org/healthy-north-carolina-2030/.

⁴ James H. Johnson, Jr., 2021, Real Estate Alert! Demographic Gale Force Wind Gust Ahead, available at https://www.ncrealtors.org/jim-johnson-article/

⁵ James H. Johnson, Jeanne Milliken Bonds, and Allan M. Parnell, 2022, Urgently Needed: Equity Tools to Navigate Demographic Gale-Force Wind Gusts, North Carolina Medical Journal, January, available at https://www.ncmedicaljournal.com/content/83/1/17.

First, in a state where the population is rapidly becoming more diverse demographically and linguistically and where the gap between the haves and the have-nots is widening geographically and economically, requiring all state agencies to develop public participation and communication plans to promote greater transparency in government decision-making is a strategic imperative. To ensure equitable public participation and access to pertinent or relevant information, state agencies will have to devise a multi-channel communication strategy given the five generations that make up the state's population—Pre-Boomers, Boomers, and Generations X, Y, and Z—which rely on different channels and sources of information.

Second, by requiring all state agencies to appoint an environmental justice advocate, Executive Order 246 can potentially leverage a host of best practice "equity" tools that other states and localities have utilized to redress existing environmental justice issues and prevent environmental justice communities from being over-burdened by noxious facilities and locally unwanted land-uses (LULUS).⁶ Most notably, given appropriations in the current state budget combined with available federal dollars from the American Rescue Plan to address equity issues, this Executive Order can potentially lead to a more inclusive and equitable system of contracting and procurement whereby residents of environmental justice communities can create "homegrown" businesses capable of both cleaning up legacy pollutants and retrofitting community-based institutions like sick school buildings as green infrastructure.⁷ In this way, past environmental injustices can be leveraged to create current economic opportunity and justice for the residents of environmental justice communities.⁸

Third, by targeting public schools in environmental justice communities and HBCUs, Executive Order 246, through the promotion of entrepreneurship and workforce development provisions, can begin to prepare the next generation of diverse business owners and talent that can accelerate the state's transition to a green economy.⁹ Given slowing total and white population growth in our state and nation,¹⁰ investments via these two provisions of the Executive Order constitute a form of enlightened self-interest for our state, guaranteeing our future attractiveness and competitiveness in the global marketplace.¹¹

Executive Order 246, in short, will increase the likelihood that all North Carolinians are able to live in vibrant communities and pursue employment in workplaces free of environmental risks.

- 8 James H. Johnson, Jr., 2019, How Environmental and Economic Justice Work Together, Triangle Business Journal, October 3, available at https://www.bizjournals.com/triangle/ news/2019/10/03/columnhow-environmental-and-economic-justice-work.html.
- 9 See James H. Johnson, Jr. and Wendell M. Davis, 2020, Needed: A New "new Deal in America," Triangle Business Journal, April 24, available at https://www.bizjournals.com/triangle/ news/2020/04/24/column-needed-a-new-new-deal-in-america.html.
- 10 Luke Rogers, 2021, COVID-19, Declining Birth Rates and International Migration Resulted In Historically Small Population Gains, December 21, available at https://www.census. gov/library/stories/2021/12/us-population-grew-in-2021-slowest-rate-since-founding-of-the-nation.html
- 11 James H. Johnson, Jr., Jeanne Milliken Bonds, and Allan M. Parnell, 2021, "Business Alert! Gale Force Demographic Wind Gust Ahead, Kenan Institute White Paper, August, available at https://kenaninstitute.unc.edu/wp-content/uploads/2021/08/Business-Alert-V2-002.pdf

⁶ See, for example, James H. Johnson, Jr., Mark S. McDaniel, and Allan M. Parnell, 2019, Built2Last: A Roadmap for Inclusive and Equitable Development in Durham, Frank Hawkins Kenan Institute of Private Enterprise and the Durham Office of Economic and Workforce Development, available at https://durhamnc.gov/DocumentCenter/View/27855/ Built2Last_06142019_Final.

⁷ James H. Johnson, Jr., Jeanne Milliken Bonds, and Allan M. Parnell, 2021, NC Must Leverage American Rescue Plan Funds to Boost Minority-Owned, Veteran Businesses, The Fayetteville Observer, December 22, available at https://www.fayobserver.com/story/opinion/2021/12/22/opinion-north-carolina-american-rescue-plan-funds-help-minorityowned-veteran-businesses/8967840002/

James H. Johnson, Jr., William Rand Kenan, Jr. Distinguished Professor in UNC's Kenan-Flagler Business School, Chairs the Environment Justice and Equity Advisory Board in the North Carolina Department of Environmental Quality. He is also an appointed member of the Governor's Andrea Harris Taskforce on Social, Economic, Environmental, and Health Equity for the state of North Carolina.

The Kenan Institute fosters mutual understanding between members of the private sector, the academic community, and their government, and to encourage cooperative efforts among these groups.

The Kenan Institute serves as a national center for scholarly research, joint exploration of issues, and course development with the principal theme of preservation, encouragement, and understanding of private enterprise.

Æ

H

T

Ŧ

Ħ

H

H

H H H



▶ KenanInstitute.unc.edu