

Thursday, February 16, 2023

TO: Vanessa Atterbary, Chair of the House Ways and Means Committee, C. T. Wilson, Chair of the House Economic Matters Committee; and Committee Members

FROM: Michelle Dietz, The Nature Conservancy, Director of Government Relation; and Caitlin Kerr, The Nature Conservancy, Conservation & Climate Policy Analyst

POSITION: Support HB 493 Department of Commerce - Office of Climate Change Assistance for Small Businesses - Establishment

The Nature Conservancy supports HB 493 offered by Delegate Ruth. HB 493 seeks to establish an Office of Climate Change Assistance for Small Businesses to coordinate with the Office of Resilience in the Maryland Department of Emergency Management (MDEM). This new Office will provide support to small businesses that are either mitigating, preparing for, or reacting to climate change impacts. The Office will be responsible for guiding small businesses across Maryland in identifying and applying for financial assistance for the federal, state, and local governments as well as nonprofit organizations and other public and private sources. This Office will also be responsible for assisting small businesses with planning and compliance needs related to transitioning to advanced clean energy. As a result, this bill will build capacity for our state to meet the climate mitigation goals under the Climate Solutions Now Act.

Establishing an Office of Climate Change Assistance for Small Businesses and creating coordination between this new Office and the Office of Resilience will leverage our state's growing capacity to establish networks for sharing information in order to maximize resilience, adaptation and mitigation. By providing cohesive, strategic, and cross-jurisdictional leadership at the necessary scale, this legislation will allow Maryland's small business owners to become leaders on climate mitigation. It will also allow these business owners to more effectively reduce damage risks and losses from natural disasters and to recover faster and with a lesser financial burden when climate impacts do affect their business.

We are already experiencing climate change impacts across Maryland, which will only increase in frequency and severity in the coming years. The most significant threats are due to increased sea level rise and erosion, changes in precipitation, including increased frequency of flash floods and storm surge, and increased temperatures. In many places, these issues compound each other. Parts of the state that were susceptible to flooding from past storms are now experiencing nuisance flooding on a far more regular basis, resulting in damaged infrastructure. Maryland has already observed one foot of sea level rise since the turn of the 20th century with an additional foot of rise expected by 2050. Localized land subsidence accelerates rates of erosion, thereby compounding the risks from sea level rise. By 2100, studies predict we may see up to three additional feet of sea level rise. The impacts are already being felt in communities across our state. Currently, over \$15 billion in property is directly in the path of projected rise. Cities like Annapolis have seen a doubling in coastal flood days over the past decade. The latest science tells us that flooding events could more than double in frequency in places like Baltimore as soon as 2035. On the Eastern Shore, Dorchester County is predicted to shrink from the 4th largest county by land area to the 14th by 2100, and saltwater intrusion is damaging crop yields. Coastal flooding currently threatens 81,000 Marylanders and, with predicted rise, an additional 38,000 will be in jeopardy by 2050. Sea level rise puts people, property, and infrastructure at risk with staggering costs to our economy and individuals' livelihoods.

While reducing emissions is absolutely crucial to avoid the worst climate impacts, we know that our communities and businesses are already being harmed and, due to committed warming, will still face these growing challenges for years to come. Mitigation and adaptation must go hand in hand to best protect current and future generations from a daunting climate legacy. Increased capacity, resources, services, funding, leadership, and connectivity between federal and state agencies and local governments is necessary to address these growing threats and local needs.

Many of the practices, solutions, and funding streams we need to implement require coordination across several state and federal agencies, as well as across local jurisdictional boundaries. Fortunately, the state already has a multitude of programs in place across many agencies that improve resilience, adaptation, and mitigation. Creating this Office will expand upon that work and investment by better incorporating small business's needs and perspectives within those projects, investments, and programs.

We commend Delegate Ruth on introducing this bill, which will strengthen Maryland's approach to climate mitigation, adaptation, and resilience while generating new capacity, networks, funding, and resources to empower small business owners to better protect their assets as well as take on leadership roles in Maryland's advanced clean energy economy.

Therefore, we urge a favorable report on HB 493.