

## Senator Chris Van Hollen Testimony on the Responding to Emergency Needs from Extreme Weather (RENEW) Act

Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and the Environment Committee, thank you for the opportunity to submit testimony on the Responding to Emergency Needs from Extreme Weather (RENEW) Act. I also want to thank Senator Katie Fry Hester for introducing this bill, along with cosponsors of the bill: Senators Brooks, Gile, Muse, Elfreth, Waldstreicher, Watson, Washington, Lewis Young, Kagan, Ellis, Benson, Kramer, Lam, Hettleman, and Rosapepe — and applaud them for their work on this important legislation.

The RENEW Act is a state-based approach to a proposal I have put forward at the federal level, the Polluters Pay Climate Fund Act. Both bills are based on a simple principle also used in national superfund legislation – that companies that have caused harm should bear the costs of repairing that harm, not taxpayers.

Using peer-reviewed “carbon attribution” research, it is possible to definitively attribute carbon and methane in the atmosphere to specific companies like ExxonMobil, Chevron, and Shell. The RENEW Act uses this methodology to establish a Climate Change Adaptation and Mitigation Payment Program that assesses payments due from the highest-polluting companies based on their contribution to global emissions and uses those funds to invest in clean energy and energy efficiency programs, build-out resilient infrastructure, protect our coasts, and invest in more sustainable communities – particularly those communities most impacted by pollution and climate risk.

There are no Maryland companies among the major polluters covered by the RENEW Act, and, under economic principles accepted across the ideological spectrum, the cost would not be passed on to consumers. The recovery payments are based on past, not current, activity, so they do not impact the ongoing costs of production. They are charged to those with the highest past production, leaving some companies who are not subject to recovery payments as price competitors and rivals for market share. And any attempts to collude to set a higher price would be illegal – and unlikely to attract companies who aren’t covered by the bill or have a lower pro-rata payment and a market-based incentive to undercut those who raise prices.

Importantly, the RENEW Act does not pre-empt any communities that are justly seeking damages from the fossil fuel industry. They remain entitled to their day in court.

The Center for Climate Integrity estimates that it would cost Maryland \$27.4 billion by 2040 just to build seawalls to protect our coastal communities from sea level rise. It will take more to ensure a just transition to a clean energy economy, build resilient infrastructure across the state, and respond to more severe natural disasters.

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The RENEW Act presents an opportunity to protect our communities, address environmental injustice, and transition to a clean energy future and have the biggest polluters – not Maryland taxpayers – pay the cost. I support this legislation and request that the Committee give it full consideration.