

Friday, March 1, 2024

**TO:** Marc Korman, Chair of the House Environment and Transportation Committee; C. T. Wilson, Chair of the House Economic Matters Committee, and Committee Members  
**FROM:** Mariana Rosales, The Nature Conservancy, Director of Climate; Humna Sharif, The Nature Conservancy, Climate Adaptation Manager  
**POSITION:** Support HB 1008 Fossil Fuel Transportation Fee and Mitigation Fund (Climate Pollution Reduction Fund Act)

The Nature Conservancy (TNC) supports HB 1008, offered by Delegate Stein. This bill imposes a fossil fuel transportation fee on transporting a fossil fuel in the State and establishes the Fossil Fuel Mitigation Fund to support activities that reduce greenhouse gas emissions in the State. HB 1008 is consistent with Maryland's commitments to address climate change established in the Climate Solutions Now Act of 2022. These goals include reducing greenhouse gas emissions by 60% from 2006 levels by 2031 and achieving net-zero statewide greenhouse gas emissions by 2045.

Maryland is experiencing more frequent extreme weather events with increasing intensity, including heavy rainfall, high tides, and record heat, causing significant damage to infrastructure, homes, and natural habitats. Our existing cities, towns, rural communities, and supporting critical infrastructure are not equipped to handle the increased stress imposed by rapidly worsening impacts of climate change. Governor Moore has called for investing \$1 billion annually to fight climate change in Maryland. HB 1008 will generate new revenue to implement Governor Moore's climate vision without imposing additional costs on Maryland residents.

As it currently stands, taxpayers across Maryland are paying for the cost of climate change, which are adding up and contributing to the state's projected budget shortfall this coming fiscal year. It is only fair to require polluters to pay for their pollution and transporting fossil fuels into Maryland falls into this category. Enabling policy mechanisms to decrease fossil fuels' use are urgently needed in our state.

The revenues HB 1008 generates will flow directly into the Fossil Fuel Mitigation Fund to reduce Maryland's greenhouse gas emissions. The state's Climate Pollution Reduction Plan has set forth several ambitious goals for achieving our 2045 net-zero emissions target, including home electrification incentives, electric vehicle incentives, commercial building efficiency and electrification projects, infrastructure investments, and support for natural and working lands management through nature-based solutions. Equitable resource distribution and a just transition to a clean energy future are key themes within Maryland's Climate goals. Transitioning to a net-zero economy in our state should be intentional, but also practical and methodical. HB 1008 is inclusive of these goals.

TNC commends Delegate Stein for bringing forward a groundbreaking proposal to generate much-needed revenue for addressing climate change and promoting resilience in Maryland. Passing HB 1008 is a valuable step in protecting our communities, ecosystems, and economy from climate change. Revenue HB 1008 generates will be redirected for clean economy investments to reduce the impacts on our communities and ecosystems.

**Therefore, we urge a favorable report on HB 1008.**