



P.O. Box 278
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Committee: Environment and Transportation

Testimony on: HB 1008-Fossil Fuel Transportation Fee and Mitigation Fund (Climate Pollution Reduction Fund Act)

Position: Support

Hearing Date: March 1, 2024

The Maryland Chapter of the Sierra Club supports HB 1008. This bill raises critical revenue that will help achieve our state's climate goals. The bill requires that carriers transporting fossil fuels into the state pay a 30 cent fee per million British thermal units of fossil fuels transported into the state, which is equivalent to approximately 8 gallons of gasoline. The bill provides an exemption for carriers that are transporting fossil fuels solely for use on a farm. The revenue generated from this fee would be earmarked for a Fossil Fuel Mitigation Fund that would be used for activities and programs that reduce greenhouse gas emissions according to the Climate Pollution Reduction Plan.

This bill would assess a reasonable fee on carriers that transport fossil fuels to help mitigate their transportation pollution and the adverse impact that fossil fuels they are carrying would have on our environment.

The Climate Pollution Reduction plan indicates that achieving an equitable transition to a clean energy future could require a public sector investment of approximately \$1 billion annually. This bill would help provide critical funding that is needed to support this investment. According to the plan, these investments would save households up to \$4,000 annually in energy costs, generate \$1.2 billion in public health benefits, and result in a net gain of 27,400 jobs between now and 2031 as compared with current policies.

We encourage the committee to follow Justice40 principles and require that at least 40% of the funds generated by this bill are directed to overburdened and underserved communities as defined by the Climate Solutions Now Act.

This bill would assess reasonable fees on carriers transporting fossil fuels to help mitigate their impact on our environment and support the transition to a clean energy future. For these reasons we urge a favorable report on HB 1008.

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