

HOUSE BILL 340

M5, M3, E4
HB 347/23 – HGO

5lr1180

By: **Delegates Ruth, Terrasa, Allen, Boafu, Charkoudian, Embry, Feldmark, Foley, Forbes, Guzzone, Lehman, McCaskill, Palakovich Carr, Pasteur, Smith, Stewart, and Wu**

Introduced and read first time: January 13, 2025

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Climate Change – Attorney General Actions, Climate Change Restitution Fund,**
3 **and Climate Change Restitution Fund Advisory Council**

4 FOR the purpose of authorizing the Attorney General to investigate, commence, and
5 prosecute or defend any suit or action that holds certain entities accountable for
6 tortious or otherwise unlawful conduct that has contributed to climate change;
7 authorizing the Attorney General to hire outside counsel on a contingency fee basis
8 to assist with an action under this Act if the Attorney General makes a certain
9 determination; establishing the Climate Change Restitution Fund as a special,
10 nonlapsing fund; requiring interest earnings of the Fund to be credited to the Fund;
11 establishing the Climate Change Restitution Fund Advisory Council to provide
12 information to the Governor, the Attorney General, and the General Assembly on
13 climate change and the distribution of the Fund; and generally relating to climate
14 change.

15 BY adding to
16 Article – Environment
17 Section 1–307
18 Annotated Code of Maryland
19 (2013 Replacement Volume and 2024 Supplement)

20 BY adding to
21 Article – Public Safety
22 Section 14–1401 through 14–1403 to be under the new subtitle “Subtitle 14. Climate
23 Change Restitution Fund and Advisory Council”
24 Annotated Code of Maryland
25 (2022 Replacement Volume and 2024 Supplement)

26 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Finance and Procurement
2 Section 6–226(a)(2)(i)
3 Annotated Code of Maryland
4 (2021 Replacement Volume and 2024 Supplement)

5 BY repealing and reenacting, with amendments,
6 Article – State Finance and Procurement
7 Section 6–226(a)(2)(ii)204. and 205.
8 Annotated Code of Maryland
9 (2021 Replacement Volume and 2024 Supplement)

10 BY adding to
11 Article – State Finance and Procurement
12 Section 6–226(a)(2)(ii)206.
13 Annotated Code of Maryland
14 (2021 Replacement Volume and 2024 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
16 That the Laws of Maryland read as follows:

17 **Article – Environment**

18 **1–307.**

19 **(A) FOR THE PROTECTION OF THE HEALTH AND SAFETY OF THE STATE’S**
20 **CITIZENS AND ENVIRONMENT, IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT**
21 **A PUBLICLY TRADED ENTITY THAT DERIVES AT LEAST 50% OF ITS REVENUES FROM**
22 **COAL, OIL, OR GAS WITH A MARKET CAPITALIZATION GREATER THAN \$1,000,000,000**
23 **AND ITS SUBSIDIARIES BE HELD ACCOUNTABLE FOR ANY TORTIOUS OR OTHERWISE**
24 **UNLAWFUL CONDUCT ON THE PART OF THE ENTITY OR SUBSIDIARY THAT HAS**
25 **CONTRIBUTED TO CLIMATE CHANGE, INCLUDING ASSOCIATED ENVIRONMENTAL**
26 **AND OTHER HARMS CAUSED, WHETHER THROUGH FRAUD, DECEPTION, OR ANY**
27 **OTHER MECHANISM, ACTION, INACTION, OR PRACTICE.**

28 **(B) THE ATTORNEY GENERAL MAY INVESTIGATE, COMMENCE, AND**
29 **PROSECUTE OR DEFEND ANY CIVIL OR CRIMINAL SUIT OR ACTION THAT HOLDS**
30 **ACCOUNTABLE A PUBLICLY TRADED ENTITY THAT DERIVES AT LEAST 50% OF ITS**
31 **REVENUES FROM COAL, OIL, OR GAS WITH A MARKET CAPITALIZATION GREATER**
32 **THAN \$1,000,000,000 OR ITS SUBSIDIARIES FOR ANY TORTIOUS OR OTHERWISE**
33 **UNLAWFUL CONDUCT ON THE PART OF THE ENTITY OR SUBSIDIARY THAT HAS**
34 **CONTRIBUTED TO CLIMATE CHANGE THROUGH FRAUD, DECEPTION, OR ANY OTHER**
35 **MECHANISM, ACTION, INACTION, OR PRACTICE.**

36 **(C) THE ATTORNEY GENERAL MAY HIRE OUTSIDE COUNSEL ON A**
37 **CONTINGENCY FEE BASIS TO ASSIST WITH AN ACTION UNDER THIS SECTION IF THE**

1 ATTORNEY GENERAL DETERMINES THAT HIRING OUTSIDE COUNSEL ON SUCH A
2 BASIS IS IN THE BEST INTEREST OF THE STATE.

3 Article – Public Safety

4 SUBTITLE 14. CLIMATE CHANGE RESTITUTION FUND AND ADVISORY COUNCIL.

5 14-1401.

6 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
7 INDICATED.

8 (B) “COUNCIL” MEANS THE CLIMATE CHANGE RESTITUTION FUND
9 ADVISORY COUNCIL.

10 (C) “FUND” MEANS THE CLIMATE CHANGE RESTITUTION FUND.

11 (D) “SALTWATER INTRUSION” HAS THE MEANING STATED IN § 3-1001 OF
12 THE NATURAL RESOURCES ARTICLE.

13 (E) “VECTORBORNE PATHOGEN” MEANS A GERM OR PARASITE THAT IS
14 SPREAD TO HUMANS AND OTHER ANIMALS BY A VECTOR, SUCH AS A MOSQUITO,
15 TICK, OR FLEA.

16 (F) “WATERBORNE PATHOGEN” MEANS A MICROORGANISM, SUCH AS
17 BACTERIA, A VIRUS, A PARASITE, OR AN AMOEBA, THAT CAN CAUSE ILLNESS IN
18 HUMANS AND ANIMALS IF EXPOSED TO WATER CONTAMINATED BY THE
19 MICROORGANISM.

20 14-1402.

21 (A) THERE IS A CLIMATE CHANGE RESTITUTION FUND.

22 (B) THE PURPOSE OF THE FUND IS TO PAY FOR PROGRAMS THAT PREVENT,
23 MITIGATE, OR REPAIR HARMS CAUSED BY CLIMATE CHANGE.

24 (C) THE DEPARTMENT SHALL ADMINISTER THE FUND.

25 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
26 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

27 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
28 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

1 **(E) THE FUND CONSISTS OF:**

2 **(1) ALL REVENUES RECEIVED BY THE STATE RESULTING DIRECTLY**
3 **OR INDIRECTLY FROM ANY JUDGMENT AGAINST OR SETTLEMENT WITH AN ENTITY**
4 **IN AN ACTION BROUGHT UNDER § 1-307 OF THE ENVIRONMENT ARTICLE;**

5 **(2) INTEREST EARNINGS OF THE FUND; AND**

6 **(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
7 **THE BENEFIT OF THE FUND.**

8 **(F) THE FUND MAY BE USED ONLY TO:**

9 **(1) PAY FOR PROGRAMS THAT PREVENT, MITIGATE, OR REPAIR**
10 **HARMS CAUSED BY CLIMATE CHANGE, INCLUDING PROGRAMS ADDRESSING:**

11 **(I) AIR POLLUTION;**

12 **(II) DANGEROUSLY HIGH TEMPERATURES, SUCH AS URBAN**
13 **HEAT ISLANDS OR EXTENDED HEAT WAVES;**

14 **(III) DROUGHT;**

15 **(IV) ECOSYSTEM CHANGES;**

16 **(V) FLOODING;**

17 **(VI) SALTWATER INTRUSION;**

18 **(VII) STORM DAMAGE;**

19 **(VIII) VECTORBORNE PATHOGENS;**

20 **(IX) WATERBORNE PATHOGENS; AND**

21 **(X) WILDFIRES; AND**

22 **(2) PAY ADMINISTRATIVE EXPENSES RELATED TO:**

23 **(I) THE DISTRIBUTION OF FUNDS TO PROGRAMS UNDER ITEM**
24 **(1) OF THIS SUBSECTION; AND**

25 **(II) THE COUNCIL.**

1 **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
2 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

3 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
4 **THE FUND.**

5 **(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
6 **WITH THE STATE BUDGET.**

7 **(I) MONEY EXPENDED FROM THE FUND FOR PROGRAMS THAT PREVENT,**
8 **MITIGATE, OR REPAIR HARMS CAUSED BY CLIMATE CHANGE IS SUPPLEMENTAL TO**
9 **AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD**
10 **BE APPROPRIATED FOR THE PROGRAMS.**

11 **14-1403.**

12 **(A) THERE IS A CLIMATE CHANGE RESTITUTION FUND ADVISORY**
13 **COUNCIL IN THE DEPARTMENT.**

14 **(B) THE PURPOSE OF THE COUNCIL IS TO PROVIDE INFORMATION TO THE**
15 **GOVERNOR, THE ATTORNEY GENERAL, AND THE GENERAL ASSEMBLY ON CLIMATE**
16 **CHANGE AND THE DISTRIBUTION OF THE FUND.**

17 **(C) (1) THE COUNCIL CONSISTS OF THE FOLLOWING MEMBERS:**

18 **(I) ONE MEMBER OF THE SENATE OF MARYLAND, APPOINTED**
19 **BY THE PRESIDENT OF THE SENATE;**

20 **(II) ONE MEMBER OF THE HOUSE OF DELEGATES, APPOINTED**
21 **BY THE SPEAKER OF THE HOUSE;**

22 **(III) THE ATTORNEY GENERAL, OR THE ATTORNEY GENERAL'S**
23 **DESIGNEE;**

24 **(IV) THE CHIEF RESILIENCE OFFICER, OR THE CHIEF**
25 **RESILIENCE OFFICER'S DESIGNEE;**

26 **(V) THE SECRETARY OF AGRICULTURE, OR THE SECRETARY'S**
27 **DESIGNEE;**

28 **(VI) THE SECRETARY OF COMMERCE, OR THE SECRETARY'S**
29 **DESIGNEE;**

1 (VII) THE SECRETARY OF THE ENVIRONMENT, OR THE
2 SECRETARY'S DESIGNEE;

3 (VIII) THE SECRETARY OF HEALTH, OR THE SECRETARY'S
4 DESIGNEE;

5 (IX) THE SECRETARY OF HOUSING AND COMMUNITY
6 DEVELOPMENT, OR THE SECRETARY'S DESIGNEE;

7 (X) THE SECRETARY OF NATURAL RESOURCES, OR THE
8 SECRETARY'S DESIGNEE;

9 (XI) THE SECRETARY OF TRANSPORTATION, OR THE
10 SECRETARY'S DESIGNEE; AND

11 (XII) A REPRESENTATIVE FROM EACH OF THE FOLLOWING
12 ENTITIES:

13 1. THE MARYLAND ASSOCIATION OF COUNTIES,
14 DESIGNATED BY THE MARYLAND ASSOCIATION OF COUNTIES;

15 2. THE MARYLAND CHAMBER OF COMMERCE,
16 DESIGNATED BY THE MARYLAND CHAMBER OF COMMERCE;

17 3. THE MARYLAND FARM BUREAU, DESIGNATED BY THE
18 MARYLAND FARM BUREAU; AND

19 4. THE MARYLAND MUNICIPAL LEAGUE, DESIGNATED
20 BY THE MARYLAND MUNICIPAL LEAGUE.

21 (2) TO THE EXTENT PRACTICABLE, THE MEMBERSHIP OF THE
22 COUNCIL SHALL REFLECT THE GENDER, RACIAL, ETHNIC, AND GEOGRAPHIC
23 DIVERSITY OF THE STATE.

24 (D) (1) THE TERM OF A MEMBER IS 2 YEARS.

25 (2) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL
26 A SUCCESSOR IS APPOINTED AND QUALIFIES.

27 (3) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
28 ONLY FOR THE REMAINDER OF THAT TERM AND UNTIL A SUCCESSOR IS APPOINTED
29 AND QUALIFIES.

1 **(4) A MEMBER MAY BE APPOINTED TO MORE THAN TWO**
2 **CONSECUTIVE TERMS.**

3 **(E) THE CHIEF RESILIENCE OFFICER, OR THE CHIEF RESILIENCE**
4 **OFFICER'S DESIGNEE, SHALL SERVE AS CHAIR OF THE COUNCIL.**

5 **(F) THE OFFICE OF RESILIENCE IN THE DEPARTMENT SHALL PROVIDE**
6 **STAFF FOR THE COUNCIL.**

7 **(G) (1) THE COUNCIL SHALL:**

8 **(I) MEET AT THE CHAIR'S REQUEST; AND**

9 **(II) PROVIDE A METHOD FOR PUBLIC COMMENT.**

10 **(2) A SIMPLE MAJORITY OF THE MEMBERS THEN SERVING ON THE**
11 **COUNCIL SHALL CONSTITUTE A QUORUM.**

12 **(3) A MAJORITY VOTE OF THE FULL COUNCIL IS NECESSARY TO**
13 **APPROVE ANY ACTION.**

14 **(4) THE COUNCIL MAY ADOPT PROCEDURES NECESSARY TO**
15 **CONDUCT BUSINESS, INCLUDING THE CREATION OF COMMITTEES.**

16 **(H) A MEMBER OF THE COUNCIL:**

17 **(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE**
18 **COUNCIL; BUT**

19 **(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE**
20 **STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.**

21 **(I) (1) THE COUNCIL SHALL DEVELOP A REPORT IDENTIFYING:**

22 **(I) THE CONSEQUENCES OF CLIMATE CHANGE WITHIN**
23 **MARYLAND;**

24 **(II) THE GEOGRAPHIC AREAS AND ECONOMIC SECTORS WITHIN**
25 **THE STATE LIKELY TO BE IMPACTED BY CLIMATE CHANGE;**

26 **(III) THE CONSEQUENCES OF CLIMATE CHANGE ON THE**
27 **GEOGRAPHIC AREAS AND ECONOMIC SECTORS IDENTIFIED IN ITEM (II) OF THIS**

1 PARAGRAPH;

2 (IV) ANY OTHER DISRUPTIONS, DAMAGES, OR HARMS LIKELY TO
3 BE CAUSED BY CLIMATE CHANGE, INCLUDING:

- 4 1. ECONOMIC HARMS;
- 5 2. ECOSYSTEM CHANGES;
- 6 3. ENVIRONMENTAL HARMS;
- 7 4. HEALTH-RELATED HARMS; AND
- 8 5. INFRASTRUCTURE HARMS; AND

9 (V) METHODS TO PREVENT, MITIGATE, OR REPAIR THE LIKELY
10 DISRUPTIONS, DAMAGES, OR HARMS CAUSED BY CLIMATE CHANGE.

11 (2) (I) THE REPORT SHALL BE:

12 1. COMPLETED:

13 A. WITHIN 6 MONTHS AFTER ANY LEGAL FILING UNDER §
14 1-307 OF THE ENVIRONMENT ARTICLE; OR

15 B. EARLIER THAN THE TIME SPECIFIED IN ITEM A OF
16 THIS ITEM IF REQUESTED BY THE ATTORNEY GENERAL; AND

17 2. UPDATED ANNUALLY IF THERE ARE:

18 A. ACTIVE CASES THAT HAVE BEEN BROUGHT UNDER
19 § 1-307 OF THE ENVIRONMENT ARTICLE; OR

20 B. UNALLOCATED FUNDS IN THE FUND.

21 (II) THE COUNCIL SHALL SUBMIT THE REPORT TO:

22 1. THE GOVERNOR, THE ATTORNEY GENERAL, AND, IN
23 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
24 ASSEMBLY; AND

25 2. THE DEPARTMENT FOR POSTING ON THE
26 DEPARTMENT'S WEBSITE.

1 (J) (1) BY NOVEMBER 1 OF ANY YEAR IN WHICH THERE ARE
2 UNALLOCATED FUNDS IN THE FUND, THE COUNCIL SHALL DEVELOP AN ADDITIONAL
3 REPORT RECOMMENDING:

4 (I) METHODS FOR THE DISTRIBUTION OF THE UNALLOCATED
5 FUNDS BASED ON THE GEOGRAPHIC AREAS AND ECONOMIC SECTORS IDENTIFIED IN
6 THE REPORT DEVELOPED UNDER SUBSECTION (I) OF THIS SECTION, INCLUDING
7 DISTRIBUTIONS TO STATE AGENCIES AND LOCAL JURISDICTIONS; AND

8 (II) UPDATES TO THE METHODS IDENTIFIED IN SUBSECTION
9 (I)(1)(V) OF THIS SECTION.

10 (2) THE COUNCIL SHALL SUBMIT THE ADDITIONAL REPORT TO:

11 (I) THE GOVERNOR, THE ATTORNEY GENERAL, AND, IN
12 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL
13 ASSEMBLY; AND

14 (II) THE DEPARTMENT FOR POSTING ON THE DEPARTMENT'S
15 WEBSITE.

16 Article – State Finance and Procurement

17 6-226.

18 (a) (2) (i) 1. This subparagraph does not apply in fiscal years 2024
19 through 2028.

20 2. Notwithstanding any other provision of law, and unless
21 inconsistent with a federal law, grant agreement, or other federal requirement or with the
22 terms of a gift or settlement agreement, net interest on all State money allocated by the
23 State Treasurer under this section to special funds or accounts, and otherwise entitled to
24 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
25 Fund of the State.

26 (ii) The provisions of subparagraph (i) of this paragraph do not apply
27 to the following funds:

28 204. the Victims of Domestic Violence Program Grant Fund;
29 [and]

30 205. the Proposed Programs Collaborative Grant Fund; AND

31 206. THE CLIMATE CHANGE RESTITUTION FUND.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
2 1, 2025.