



RACIAL EQUITY IMPACT NOTE

DEPARTMENT OF LEGISLATIVE SERVICES
MARYLAND ▪ GENERAL ▪ ASSEMBLY

2025 Session
HB0903

Courts - Global Warming and Climate Change - Prohibited Actions (Ratepayer Protection Act of 2025)

Bill Summary

This bill prohibits a State or local government, or an agency of the State or a local government, from filing an action for monetary damages or alleged economic damages against a business for the adverse effects of global warming or climate change in the State. The bill does not (1) prohibit the federal government, the State, or a local government from enforcing health, environmental, zoning, or any other applicable law or (2) relieve a business from the responsibility of complying with the terms of any applicable federal, State, or local law.

Racial Equity Impact Statement

The bill prohibits lawsuits by State and local governments against businesses for their roles in perpetuating global warming and climate change on communities in Maryland. Although there is evidence available on the national level that businesses, particularly large fossil fuel companies, may indirectly and adversely impact the environment, especially in underserved communities, there is no data readily available to determine the nature of or measure the impacts in the State. Thus, the impacts of the bill are unknown.

Analysis

The bill prohibits the State, any agency of the State, or any local government from filing for monetary or alleged economic damages against a business for the adverse effects of global warming and climate change on communities in Maryland. The bill clarifies that it does not prevent the enforcement of existing health, environmental, zoning, or other applicable laws, nor does it relieve businesses from complying with federal, State, or local regulations.

The bill defines “climate change” as the increasing changes in the measures of climate over a long period of time, including precipitation, temperature, and wind patterns. “Global warming” means the rise in global temperatures due to the increasing concentrations of greenhouse gases (GHGs) in the atmosphere.

Maryland Climate Change Initiatives

There are several initiatives aimed at mitigating the adverse effects of climate change in Maryland. These include the Climate Change Program, the Regional Greenhouse Gas Initiative, the Maryland Strategic Energy Investment Program and Fund, and the Climate Solutions Now Act. These initiatives work to reduce the overall negative effects of climate change by reducing GHG emissions, moderating CO₂ emissions, and increasing the supply of affordable, reliable, and clean energy.

Climate Change-related Litigation

In 2018, the City of Baltimore filed suit (*Mayor and City Council of Baltimore v. BP P.L.C. et al.*) against 26 fossil fuel companies demanding financial compensation for the costs of past and future adaptation to the effects of climate change, including flooding, sea level rise, extreme heat, infrastructure damage, and various public health issues, which the suit claims were exacerbated by the companies’ operations. The suit alleges that the companies perpetuated adverse climate effects by knowingly misleading the public about the dangers of their products and concealing the adverse environmental impacts of the fossil fuels they produced.

There have been similar lawsuits initiated across the country, including in Connecticut, Delaware, Massachusetts, Minnesota, New York, and Rhode Island. Local governments around the United States have also filed climate-related suits in recent years, including the City of Chicago and the City and County of Honolulu. Since 2021, both the City of Annapolis and Anne Arundel County have filed lawsuits against various oil companies that allege violations of the Maryland Consumer Protection Act.

Data from the U.S. Environmental Protection Agency, the Maryland Commission on Climate Change, the U.S. Department of Housing and Urban Development, the U.S. Department of the Treasury, the National Institutes of Health, and the U.S. Department of Agriculture indicate that the most severe harms from climate change fall disproportionately upon underserved communities. Notable effects include increased exposure to extreme weather events, health disparities due to pollution and heat exposure, housing and displacement, job loss, unequal access to disaster recovery resources, and food and water insecurity. All of these analyses consistently highlight that racial and ethnic minority communities are particularly vulnerable to these effects.

Conclusion

Data and research from a number of government agencies and research organizations advise that climate change and global warming disproportionately affect racial minorities and socioeconomically disadvantaged communities, exacerbating existing inequalities in health, housing, and economic stability. The bill’s provisions prohibiting lawsuits from seeking financial

compensation for harm done by businesses would close an avenue for State and local governments to pursue financial compensation in the courts against companies for their role in accelerating the effects of global warming or climate change. There is no way to assess the impacts, however, since additional data regarding the nature of fossil fuel companies and other businesses' impacts on the environment in Maryland and its related socioeconomic effects would be needed to assess those impacts.

Information Sources: Maryland Department of the Environment; Maryland Commission on Climate Change; U.S. Department of Housing and Urban Development; U.S. Department of Agriculture; U.S. Department of the Treasury; National Institutes of Health; U.S. Environmental Protection Agency; California Air Resources Board; Columbia Law School; New York University School of Law; Department of Legislative Services

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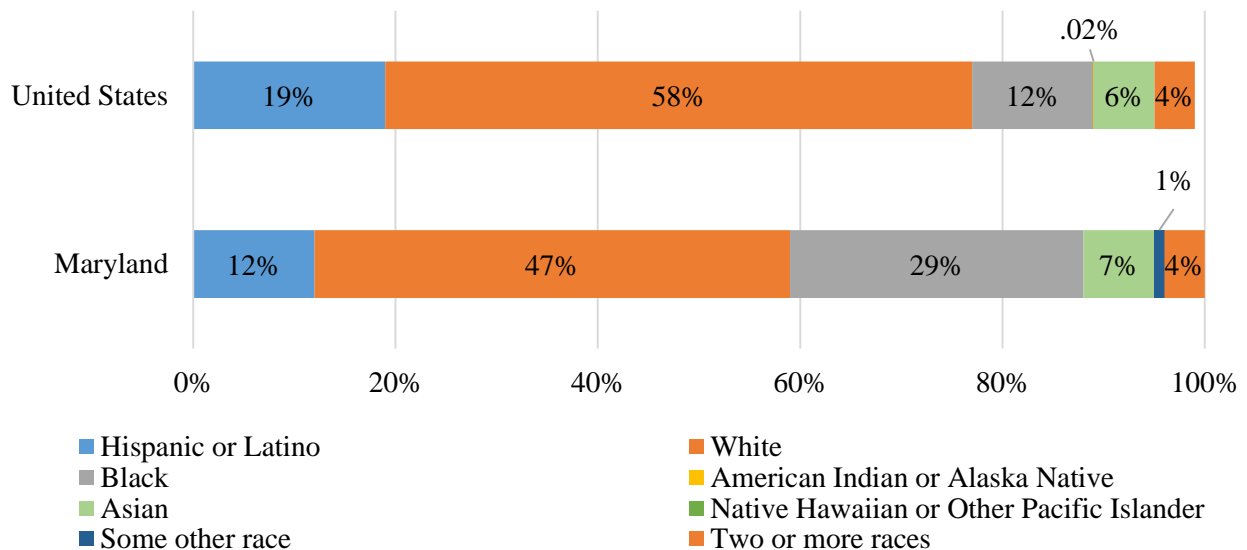
Appendix – Maryland Demographics

Race and Ethnicity of the Maryland Population

Maryland’s 2020 census population is 6,177,244, a 7% increase from the 2010 census count and approximately 2% higher than the 2019 census population estimates. In addition to an increase in population, Maryland’s racial demographics have become more diverse. Maryland is now a state in which racial minorities make up a majority of its total population. Notable changes relevant to this shift are the increase in groups who identify as “other” and “multiracial” (*i.e.*, two or more racial identities), which total 5% of the State’s population. Additionally, the change in demographics is due to the decrease in the number of individuals who only report “white” as their racial group. Despite this decrease, non-Hispanic whites remain the largest race demographic group in the State at 47% of the State’s population.

Compared to the U.S. population overall, Maryland’s population of individuals who identify as a single race is more diverse. Maryland is ranked as the fourth most diverse state by the U.S. Census Bureau’s [Diversity Index](#). As shown in **Exhibit 1**, in Maryland, 47% identify as white alone compared to 58% of the national population. Similarly, 51% of the population identify as non-white or multi-racial compared to 38% of the national population. In both the State and national populations, the largest shares of the non-white population are individuals who are Black, with 29% of the State population identifying only as Black and another 2.5% identifying as Black in combination with some other race. Maryland’s Asian population is 7%, which is slightly higher than the Asian share of the national population of 6%. The State’s overall population by ethnicity, however, is slightly less diverse than the U.S. population; 12% of the State’s population identified as Hispanic or Latino compared to 19% of the U.S. population.

Exhibit 1
U.S. and Maryland Population by Race and Ethnicity
2020



Source: U.S. Census Bureau, 2020 Census Redistricting Data (Public Law 94-171), Table ID P2, HISPANIC OR LATINO, AND NOT HISPANIC OR LATINO BY RACE.