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**TESTIMONY IN SUPPORT OF HB66
MARYLAND COAL COMMUNITY TRANSITION ACT OF 2021**

Economic Matters Committee
February 18, 2021

Chair Davis, Vice-Chair Dumais and Members of the Committee,

Thank you for the opportunity to testify before you on HB66, the Maryland Coal Community Transition Act of 2021.

The purpose of this bill is to mandate and manage the necessary transition off of coal power in Maryland by 2030. It codifies a state-wide movement to move beyond coal in Maryland to a healthier, safer, and cleaner energy economy while supporting impacted fossil fuel workers and historically-impacted communities, by creating the Fossil Fuel Community Transition Fund. HB66 requires the Maryland Department of Labor to establish policies and procedures for the administration of the Fund and requires the Maryland Energy Administration to use the Maryland Strategic Energy Investment Fund (SEIF) to provide funding.

This 19th century coal burning technology is dangerously heating our planet, changing our climate, and making our families and communities sick. Specifically, our black and brown communities as race – even more than class – is the number one indicator for the placement of toxic facilities in this country. In 2019, Maryland's coal-fired power plants produced less than 10% of the electricity we consumed but dumped out of their smokestacks 54% of the climate-warming carbon dioxide generated by the state's power sector, 79% of the smog-forming nitrogen oxides, and 96% of the dangerous sulfur dioxide.

As time passes by it becomes increasingly evident that Maryland is running out of time to address the significant threat the climate crisis poses and our continued reliance on climate polluting uneconomic coal is only making the matter worse. We must transition to affordable clean energy resources like solar and wind in order to stave off some of the devastating effects of climate change. Energy markets have shown that burning dirty coal is not fiscally beneficial. The question now is not if Maryland's coal plants will close, it's when.

A year ago, there were six remaining coal burning electrical generating plants in Maryland. Last summer, the Dickerson plant on the Potomac River in Upper Montgomery County was abruptly closed by its owner. Approximately one month later, the owner of Chalk Point plant on the Patuxent River in Prince George's County announced that it would close down its coal-fired electrical generating units by June 1, 2021. The remaining four units have all announced their closures. The Warrior Run plant in Cumberland will cease burning coal in 2030; Talen Energy Corporation will cease burning coal at H.A. Wagner plant and Brandon Shore plant by the end of 2025; and Gen On Holdings will cease burning coal at the Morgantown plant in 2027. The closures of these plants will have a major impact on the workforce at these plants. The question becomes, if these plants are closing on their own, why is this legislation necessary. Simply put, Maryland must join states like New York, New Mexico, and Washington in adopting coal transition legislation and other detailed transition plans that provide protections for energy consumers, workers, and communities. It's critical we provide certainty for frontline communities and ratepayers by establishing a coal transition plan that supports impacted workers and localities with much needed resources. An adequate planned transition away from coal provides workers and communities with a sound layout of their economic future. Without a plan, plants and mines can close without warning, leaving workers at the mercy of bankruptcy lawyers and out of state hedge funds.

HB66 establishes a Fossil Fuel Community Transition Fund. The fund will provide grants to be used for (1) worker retraining, (2) union-sponsored apprenticeship programs, (3) clean energy projects in the affected counties, (4) payments to an affected county to offset the losses in tax revenue due to the closure (for up to three years after the closure), (5) payments to workers who are within three years of retirement age and (6) payments to workers to fill wage gaps during the transition to new employment. These payments of approximately \$13 million per year will come from a dedicated, protected funding stream from the existing Maryland Strategic Energy Investment Program (SEIF). SEIF, by design, was established to support measures that minimize energy waste, address global climate change concerns and create jobs. HB66 proves itself to be eligible for funds as it accomplishes goals which promote the intentions of SEIF.

More than half of the country's coal plants have retired or announced their retirement plans over the last decade, leaving many energy markets looking for a more reliable energy source and many workers looking for jobs. Let's make sure Maryland is leading the way and providing a solid transition plan. HB66 allows us the opportunity to do just that.

For these reasons, I am requesting a favorable report.

With kindest regards,

Benjamin Brooks