

March 10, 2021

The Honorable Shane Pendergrass Chairman, House Health and Government Operations Committee Room 241 House Office Building Annapolis, Maryland 21401

RE: HB 1078 Attorney General – Climate Change Actions – Authorization

Dear Chairman Pendergrass:

The Maryland Building Industry Association, representing 100,000 employees of the building industry across the State of Maryland, Opposes HB 1078 Attorney General – Climate Change Actions – Authorization.

This bill would authorize the attorney general prosecute entities whose unlawful conduct has contributed to climate change through fraud, deception, or any other action or inaction. MBIA respectfully opposes this measure. It is important to address the existential issue of climate change, but this bill provided an overly broad and ill-defined set of criteria for which entities can be prosecuted by the Attorney General. It is often difficult to know exactly what the contributing factor to climate change might be and it is possible that a company buys a less climate friendly product or component unknowingly or for pricing reasons and could be punished arbitrarily. The bill offers no guidance on what actions might constitute a violation and allows for such a broad interpretation of the law that virtually any business practice could be a potential violation. Additionally, companies that were themselves de-frauded by unknowingly supporting a climate unfriendly supplier could themselves be prosecuted for being deceived.

Additionally, this bill is a potentially large fiscal impact as it could lead to a rash of prosecutions for frivolous actions and allow virtually unlimited funds to be funneled to outside counsel to support those prosecutions. This would be a massive financial drain on the state in support of a potentially unlimited number of small, frivolous, or arbitrary claims.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

House Heath and Government Operations Committee cc: