



MARYLAND
Chamber of Commerce

**LEGISLATIVE POSITION:
UNFAVORABLE
House Bill 171
Climate Crisis and Environmental Justice Act
House Economic Matters Committee**

Thursday, March 10, 2022

Dear Chairman Wilson and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

The Maryland Chamber of Commerce and its members express great concern over the new and ambitious greenhouse gas reduction goals set forth in HB 171, not because it is not a worthy endeavor, but because such changes will create an immense cost burden on Maryland employers, particularly manufacturers. Additionally, among the many provisions contained in HB 171, there are direct increases to the cost of energy, which will also impact all levels of government, since output will fall.

As the fiscal note points out, while special funds are intended to cover administrative costs, there will be a need to use general funds to initially cover costs prior to the special funds being made available. Furthermore, both the Maryland Department of Environment (MDE) and the Comptroller's Office have expressed significant concerns over difficulties in determining just how much this initiative will cost. Despite this, it is estimated that combined administrative costs will be between \$9.1 million and \$11.6 million.

Unfortunately, with the fees and expected price increases on necessities that HB 171 lays out, many businesses and families that are still recovering financially from the COVID-19 pandemic will have their recovery and growth efforts further hindered. For these reasons, the Chamber respectfully requests an **unfavorable report** on House Bill 171.

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