

March 8, 2022

BILL: HB0171

TITLE: Climate Crisis and Environmental Justice Act

POSITION: SUPPORT HEARING DATE: March 10, 2022

COMMITTEE: Economic Matters Committee SPONSOR: Delegate David Farse-Hidalgo

Climate XChange Maryland supports Senate Bill HB0171- the Climate Crisis and Environmental Justice Act (CCEJ) that would incentivize the reduction in fossil fuel CO2 emissions by putting an increasing fee on fossil fuels at the point of entry into Maryland, while generating billions of dollars to reinvest in Maryland's economy.

The CCEJ protects the public health, economic well-being, and natural treasures of the State by setting a more aggressive statewide greenhouse gas-emission reduction goal of 60% by 2030; 100% by 2040 using 2006 emission levels as a baseline. After 2040, statewide greenhouse gas-emission shall be net negative.

In addition, the CCEJ establishes two types of fossil fuel fees that include a polluter pays, no-pass through provision. The fee starts at \$15/ton for non-transportation fuel (building heat) and \$5/ton for transportation fuel fee (gas). The fees increase annually until they are capped at \$60/ton and \$37/ton respectively. The caps will continue to be charged until the target is met.

Revenue from the fee will generate billions of dollars for investment in clean energy infrastructure, while providing protective benefits to Maryland's trade-exposed small businesses and its most economically vulnerable populations.

Climate change is one of the greatest threats to our public health. The health effects of air pollution are huge. World Health Organization (WHO) estimates that around 7 million people die every year from exposure to fine particles in polluted air that penetrate deep into the lungs and cardiovascular system, causing diseases including stroke, heart disease, lung cancer, chronic obstructive pulmonary diseases and respiratory infections, including pneumonia. "Air pollution threatens us all, but the poorest and most marginalized people bear the brunt of the burden," says Dr Tedros Adhanom Ghebreyesus, Director-General of WHO.

But, there's another dimension to the dual issues of climate change and air quality - **justice**. The communities hardest hit by climate change, those on the metaphorical frontline of sea level rise and extreme heat in Maryland, are the same that have historically experienced the worst air pollution in the state. Targeted communities, such as urban areas, low and moderate-income communities, and communities of color are disproportionately harmed by air pollutants. African American children had significantly higher rates of emergency department visits than other children. According to the Maryland Department of Health and Mental Hygiene, African American children (ages 0-17) had the highest prevalence rates for asthma in Maryland than white children of the same age. They were "about 1.5 times more likely to have ever been diagnosed with asthma at some point in their lifetime compared to White, non-Hispanic children". Asthma attacks can be triggered by air pollution and Asthma can be life

threatening. It's time for Maryland to act now to reduce pollution in our air and protect the health of all the citizens of our State.

While addressing climate risks and mitigating their consequences must be among the state's top priorities, we must ensure that economically vulnerable communities be protected from any additional costs in the transition to a clean energy economy. They must not bear the brunt of the burden of implementing policy that will reduce/eliminate carbon in our environment. The CCEJ (HB0171) retains two provisions for benefits to low-to moderate income households. One is a cash rebate designed to protect low-to moderate-income residents and energy-intensive trade-exposed (EITE) businesses to protect them from financial harm. The other provision exists in the infrastructure fund that invest in projects that are directly located within and provide meaningful be allocates additional funds to communities historically pollution-burdened and underserved to .

For these reasons and more, Climate XChange and the Chesapeake Climate Action Network urges a FAVORABLE REPORT on HB0171.

Respectfully submitted,

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Cc: Members of the Environment and Transportation Committee