

STATEMENT OF LAWRENCE R. LIEBESMAN, ESQ IN SUPPORT OF CLIMATE CRISIS AND ENVIRONMENTAL JUSTICE ACT – HB 0171

MARYLAND HOUSE ECONOMIC MATTERS AND ENVIRONMENT AND TRANSPORTATION COMMITTEES

BILL SPONSOR: DEL. DAVID FRASER-HIDALGO

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My name is Larry Liebesman. I am submitting these comments in strong support of The Climate Crisis and Environmental Justice Act (HB 0171)

I have practiced environmental law for over 45 years having served at EPA and as a Senior Trial Attorney at the Department of Justice's Environment and Natural Resources Division. I have been an adjunct professor of Environmental Law at GW Law School where I taught wildlife law focusing on the serious impact of climate change on species habitat. I also sit on the Howard County Environmental Sustainability Board (ESB) focusing on the water resource and resiliency impacts of climate change. The County is in the process of updating its Climate Action Plan. I have also been monitoring the meetings of the Maryland Climate Change Commission charged with developing a plan to meet the mandate of the GHG Reduction Act, signed into law by Governor Hogan, to achieve a 40% reduction in GHG emissions by 2030 from a 2006 baseline. **MARYLAND FACES SEVERE RISKS FROM THE CLIMATE CRISIS REQUIRING URGENT ACTION NOW.** In my view there are two strong reasons that justify this important legislation.

FIRST, THE BILL WILL SET MARYLAND ON PATH TO ACHIEVING NET ZERO EMISSIONS BY 2045

The Bill will set statewide GHG reduction goals of 60 % from 2006 levels by 2030 and 100% from 2006 levels by 2040 and strive for net zero GHG emissions after 2040. These ambitious targets are consistent with the recommendation of the IPCC and the Biden Administration that has made addressing the climate crisis and Environmental Justice major national priorities.. **Economists agree that carbon pricing is the most efficient and cost-effective way to reduce GHG emission while incentivizing green energy. In fact, US Treasury Secretary Janet Yellen stated at her confirmation hearing that “we cannot solve the climate crisis without effect carbon pricing.”** By putting an increasing fee on fossil fuels at point of entry in Md, the Bill's market-based approach, incentivizes the reduction in fossil fuel CO2 emissions It would put Maryland on a common sense pathway to a sustainable vibrant economy. The Bill also provides a way to even exceed the current 40% CHG reduction goal in the GGRA and reach a 60% reduction by 2030.

The Bill will complement programs such as Regional Greenhouse Gas Initiative (RGGI) and the Transportation Climate Initiative (TCI).

SECOND, THE BILL'S MARKET BASED SOLUTION WILL GENERATE BILLIONS OF DOLLARS TO HELP FUND CRITICAL PROGRAMS THAT ADDRESS THE SERIOUS IMPACTS OF CLIMATE ON ENVIRONMENTAL JUSTICE COMMUNITIES AND PROVIDE AN EQUITABLE TRANSITION TO A CLEAN ENERGY ECONOMY

The Bill establishes two types of fossil fuel fees and two separate funds covering (1) green infrastructure and (2) household and employee benefits. These funds include a polluter pays, no pass-through provisions to ensure that costs will not be borne by Maryland taxpayers. In fact, based on a January 14, 2020 opinion from the Office of Attorney General, there appears to be no legal impediment to the General Assembly "prohibiting carbon polluters from passing through costs of a carbon tax onto their customers." Fifty percent (50%) of the infrastructure fund will be invested in projects that are directly located within and provide meaningful benefits to Environmental Justice communities. Up to 5% of the infrastructure account will also provide technical assistance and planning tools to county and municipal governments to develop qualified local climate plans and investment programs. This will greatly assist Counties like Howard currently working on its Climate Action Plan update. Fifty percent (50%) of the Benefits Fund will be directed to low and moderate income households and energy intensive trade exposed (EITE) businesses. Eighty percent (80%) of the money in the benefits fund will go to households and 20% will go to impacted employers. The bill also creates a Climate Crisis Council in coordination with the Maryland Department of Environment. The Council will develop a plan to achieve targets, hold periodic public meetings, administer schedules of fees and delegate distribution of the funds.

These funds will help communities' transition in a fair and equitable manner to a clean energy economy with special focus on Environmental Justice communities that have borne the brunt of GHG impacts for years..

I urge the Committees to favorably report HB 0171

Respectfully

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