David Fraser-Hidalgo Legislative District 15 Montgomery County

Economic Matters Committee

Chair Property and Casualty Insurance Subcommittee



The Maryland House of Delegates 6 Bladen Street, Room 223 Annapolis, Maryland 21401 410-841-3186 · 301-858-3186 800-492-7122 Ext. 3186 David.Fraser.Hidalgo@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Delegate C. T. Wilson Chairman, House Economic Matters Committee House Office Building – Room 231 Annapolis, MD 21401

Mr. Chairman,

I am writing in support of HB 915 and hope for a favorable report.

HB 915 establishes the Climate Change Adaptation and Mitigation Payment Program in the Department of the Environment to secure payments from fossil fuel companies to fund climate change adaptive or mitigation infrastructure projects. Fossil fuels pose a serious and immediate threat to the health of Maryland's communities, environment, and economy. Current data suggests the impacts of climate change are largely irreversible, and include rising sea levels, warming temperatures, increased frequency and intensity of storms, flooding, and others.

Fossil fuel industries were aware of climate change and its potential impacts before it became a public issue. ExxonMobil was aware as early as 1977, but did not refrain from spending decades refusing to publicly acknowledge climate change and promoting climate misinformation.¹ Both the fossil fuel and tobacco industries sowed doubt about the science for their own gain and both worked with consultants to develop a communications strategy to achieve their aims. The industries knew that their products–cigarettes and fossil fuels–would likely cause excessive harm.

Epidemiologic research began linking cigarette smoking to lung cancer in the 1950s.² A report by the Surgeon General in 1964 concluded that smoking cigarettes causes death and disease; tobacco companies, like Philip Morris, began to falsely deny, distort, and minimize the link between smoking and disease.³ In the 1970s and 1980s, Exxon employed scientists to investigate climate change science and launched a research program that empirically sampled carbon dioxide and built

¹ Shannon Hall, *Exxon Knew about Climate Change almost 40 years ago*. Scientific American, Climate Change (Oct. 26, 2015), <u>https://www.scientificamerican.com/article/exxon-knew-about-climate-change-almost-40-years-ago/</u>

² Walter J. Jones and Gerard A. Silvestri, *The Master Settlement Agreement and Its Impact on Tobacco Use 10 Years Later*. National Library of Medicine, Lessons for Physicians About Health Policy Making (Mar. 2010), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3021365/

³ Truth Initiative, *the 5 ways tobacco companies lied about the dangers of smoking cigarettes*. Truth Initiative, Research and Resources (Dec. 21, 2017), <u>https://truthinitiative.org/research-resources/tobacco-prevention-efforts/5-ways-tobacco-companies-lied-about-dangers-smoking</u>

climate models.⁴ In 1988, when NASA scientist James Hansen told a congressional hearing that the planet was already warming, Exxon publicly stated that the science was still controversial.

The fossil fuel and tobacco industries were aware their products would no longer be profitable once the public understood the risks. Instead of acknowledging the fact that tobacco is now responsible for 480,000 deaths per year in the U.S., tobacco industries chose to shift attention away from the science onto politics.⁵ While fossil fuel companies may have shifted away from outright climate denial, their misinformation campaigns and ongoing lobbying has continued to block action on climate change. Misleading phrases like "carbon capture," "clean coal," and "natural gas" only distract from the fact that their product expedites the impacts of climate change.

To respond to these threats the state of Maryland will have to take on huge investments in infrastructure and public health. As the crisis unfolds these costs will continue to increase. HB 915 will hold the entities responsible for greenhouse gas pollution and fossil fuel production financially liable for the resulting harms.⁶ This bill is also modeled on existing state and federal programs that are structured to ensure that polluters pay for their misdeeds, specifically the Comprehensive Environmental Response, Compensation & Liability Act, or Superfund.

HB915 establishes the Climate Change Adaptation and Mitigation Fund as a special, non-lapsing fund. Major fossil fuel companies would pay the state of Maryland over a set period as compensation for their part of the costs incurred by the state and its communities in dealing with the climate crisis. At least 40% of the funds will be directed towards adaptive or mitigating infrastructure projects that directly benefit communities disproportionately impacted by climate change. This includes projects to upgrade water and transportation infrastructure, prepare for extreme weather events, address wastewater treatment plans vulnerable to flooding, install clean energy systems in buildings, and respond to ecosystem threats to agriculture.

We know, however, that fossil fuel emissions are not just an environmental threat but a healthcare one too. Increased temperatures due to climate change also bring significant health risks, such as increased rates of heart attacks, asthma, and food-borne illnesses such as salmonella. Based on hospitalization data between 2000 and 2012, exposure to extreme heat increased the risk of hospitalization for a heart attack by 11% during summer months, and the risk of hospitalization for asthma by 22%.⁷ By 2040, rates of hospitalization for heart attack are expected to increase 68.4%, and rates of hospitalization for asthma are expected to increase by 136.8%. There is extensive research to support the fact that rates of foodborne illnesses increase with an increase in temperature, as bacteria grow more quickly at higher temperatures.⁸ Rates of salmonella

⁴ Id., at 2

⁵ Id., at 4

⁶ Robert D. Plattner, *Coping With the Costs of Climate Change: Make the Polluters Pay*. The Plattner Perspective, Tax Notes State (Aug. 29, 2022)

⁷Amir Sapkota et al., *Maryland Climate and Health Report*, Maryland Department of Health and Mental Hygiene (Apr. 2016),

https://mde.maryland.gov/programs/Marylander/Documents/MCCC/Publications/Reports/MarylandClimateandHeal thProfileReport.pdf

⁸ A. Crimmins, *The Impacts of Climate Change on Human Health in the United States: A Scientific Assessment*, U.S. Global Change Research Program (Apr. 2016), <u>https://health2016.globalchange.gov/</u>

significantly increase during summer months and over time, with a 28% percent increase expected by 2040.

In addition to direct effects of higher temperatures, wildfire occurrences are also extremely likely to increase, bringing an increase in carbon dioxide and allergens.⁹ The effects of climate change can also lead to an increase in vector-borne diseases. Higher temperatures and precipitation levels are likely to bring ticks and mosquitos northward, bringing diseases such as Lyme disease or the West Nile virus.¹⁰

We need to act now to preserve our environment and the people in it. HB 915 alters the Maryland Health Benefit Exchange to include funding for the establishment of the Climate Impact Health Coverage Program. 20% of the funding from HB 915 will be dedicated specifically to helping uninsured Marylanders get healthcare coverage. No person should have to face the health impacts of climate change without quality, comprehensive health insurance. An additional 5% of the revenue generated will go to the Department of Health's Office of Minority Health and Health Disparities, to ensure that the communities most impacted by climate change are not left behind.

The bill is built on a simple premise: if you make a mess, you clean it up. Fossil fuel companies like Saudi Aramco and PetroChina have made record profits while increasing the threat of climate change disasters and risking the health of our neighbors. They should be a part of the solution to clean up their mess.

Thank you for your consideration. I urge a favorable report.

Respectfully,

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Delegate David Fraser-Hidalgo