



MARYLAND STATE TREASURER
Dereck E. Davis

Testimony of the Maryland State Treasurer’s Office

**House Bill 128 - Responding to Emergency Needs From Extreme Weather
(RENEW) Act of 2025**

Position: Favorable with Amendments

**House Economic Matters Committee and House Environment and Transportation
Committee**

January 23, 2025

House Bill 128 bolsters the General Assembly’s ongoing efforts to disincentivize business practices that negatively impact the State’s climate health. The proposed Climate Change Adaptation and Mitigation Payment Program strives to apportion liability for greenhouse gases that fossil fuel companies released into the atmosphere during an important period in Maryland’s history. As a fiscal leader, Treasurer Davis understands that bold action is needed to address and mitigate these costs.

The State Treasurer’s Office (STO), however, is not the agency best suited to assess the cost of greenhouse gas emissions. For the reasons stated below, STO requests an amendment to transition the study to the Maryland Department of the Environment (MDE).

Fiscal Expertise Does Not Extend to Study Parameters

Under Environment Article, § 2–1704 of the bill, the State Treasurer, in consultation with the Comptroller, MDE, and other entities that the State Treasurer identifies, must develop and issue a report on the total assessed cost of covered greenhouse gas emissions. The report is required to include summaries of various costs that have been incurred and are projected to be incurred during the covered period. This cost assessment will inform the cost recovery demand amount for various responsible parties.

Treasurer Davis recognizes the importance and complexity of this type of cost assessment. STO manages various banking, college savings, debt management, and insurance functions for the State, while the State Treasurer serves on 20 related State boards and commissions. Oversight of the State’s finances, however, does not align with or extend to the parameters of the study, which call STO and the other participants to evaluate effects of greenhouse gas emissions on public health, natural resources, biodiversity, aquaculture, economic development, flood preparedness and safety, housing, and any other effect determined to be relevant.

Amendment to Transition Study

After careful consideration, STO respectfully requests an amendment to require MDE to coordinate the study. Transferring responsibility in this manner will ensure that the agency most familiar with environmental challenges and costs will remain at the helm. The amendment further promotes continuity across the Program, which the Department would fully administer and implement.

Thank you in advance for your consideration. Please contact Laura Atas, Deputy Treasurer for Public Policy (latas@treasurer.state.md.us), with any questions.

PROPOSED AMENDMENT

BY: Chair, House Economic Matters Committee
(To be offered in the House Economic Matters Committee and the House Environment and Transportation Committee)

AMENDMENT TO HOUSE BILL 128
(First Reading File Bill)

On page 7, in line 32, strike “STATE TREASURER” and substitute “DEPARTMENT”.

On page 11, strike beginning with “THE” in line 4 down through “DEPARTMENT,” in line 5 and substitute “THE DEPARTMENT”; in line 6, strike “STATE TREASURER” and substitute “DEPARTMENT,”; and in line 19, strike “STATE TREASURER” and substitute “DEPARTMENT”.