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Economic Matters Committee
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THE MARYLAND HOUSE OF DELEGATES
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Delegate C.T. Wilson
Chairman, House Economic Matters Committee
House Office Building - Room 231
Annapolis, MD 21401

Delegate Marc Korman
Chairman, Environment and Transportation Committee
House Office Building - Room 251
Annapolis, Maryland 21401

Mr. Chairman,

I am writing to express support of HB 128, Responding to Emergency Needs from Extreme Weather (RENEW) Act of 2025.

Climate change, primarily caused by the burning of fossil fuels, poses a grave and immediate threat to the health of Maryland's communities, environment, and economy. Fossil fuels are the largest contributor to climate change, producing over 75% of global greenhouse gas emissions and nearly 90% of carbon dioxide emissions, which drive rising temperatures, severe storms, droughts, rising sea levels, and various health and environmental issues.¹ In 2023 alone, taxpayers in the United States faced 28 distinct billion dollar climate and extreme weather disasters, which caused more than \$92 billion in total damages.² These events increase in frequency and cost, disproportionately harming overburdened and underserved communities in Maryland.

The HB 128 Responding to Emergency Needs from Extreme Weather (RENEW) Act shifts the climate burden from taxpayers to the largest fossil fuel companies, holding them financially liable for the greenhouse gas pollution and resulting harms they cause. These companies do not comprise Maryland's utility companies. The RENEW Act would:

¹ United Nations, *Causes and Effects of Climate Change* (n.d.), <https://www.un.org/en/climatechange/science/causes-effects-climate-change#:~:text=Fossil%20fuels%20%E2%80%93%20coal%2C%20oil%20and,they%20trap%20the%20sun's%20heat>.

² Dana Drugmand, *New Federal Legislation Proposes to Make Polluters Pay for Climate Change* Sierra Club (2024), <https://www.sierraclub.org/sierra/new-federal-legislation-proposes-make-polluters-pay-climate-change>.

- Require any company that has emitted more than a billion tons of greenhouse gas emissions since 1994 to pay a one time fee for the detrimental impacts caused by emissions. These funds would come from companies who have engaged in the trade or business of extracting fossil fuels or refining petroleum products.
- Conduct a study by the Department of the Environment (MDE), in consultation with the Comptroller and the Treasurer, to determine total assessment which would apply to 40 big name companies, guaranteeing objectivity.
- Invest \$900 million per year for 10 years into climate adaptation and mitigation in Maryland, totaling to a \$9 billion investment in Maryland's future, without costing taxpayers a penny.
- Collect funds to be held in the Climate Change Adaptation and Mitigation Payment Program within the MDE, securing payments from companies such as ExxonMobil, Shell, BP and Chevron, who have emitted more than a billion tons during the covered 20 year period.
 - The payment program refers to a "qualifying expenditure" which means an authorized payment from the fund to support the operation and maintenance of infrastructure projects. The funds will be collected from the responsible parties on or before October 1, 2027. This can be done in nine annual installments and the first installation would be equal to 20% of the total cost recovery demand amount. Every other installment would be paid on or before September 30 each subsequent year and would be equal to 10% of the total cost recovery demand amount. The MDE will administer the fund, the Treasurer will hold the fund separately, and the Comptroller will account for the fund.
- Direct revenue to support state efforts to adapt to and mitigate the effects of climate change.
- Drive investments in flood management, clean energy initiatives for low-income and moderate-income households, and solutions to climate related health disparities.
 - The money received from the Climate Change Adaptation and Mitigation Program will go toward infrastructure projects that include constructing seawalls, upgrading stormwater systems, upgrading roads and bridges, preparing for extreme weather events, installing heat pumps, and responding to toxic algae blooms.

Climate change impacts health in a myriad of ways, resulting in the prevalence of food-borne, vector-borne, and water-related illness. Specifically, data from the Maryland hospitalization report between 2000 and 2012 shows that exposure to extreme heat increased the risk of hospitalization for heart attacks and asthma by 11% and 22%, respectively.³ Projections indicate

³ Amir 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/MarylandClimateandHealthProfileReport.pdf>

these rates could rise dramatically, with heart attacks and asthma hospitalizations increasing 68.4% and 136.8%, respectively, by 2040.⁴

Extreme weather events are becoming increasingly common, and Maryland is spending more money to respond to these events. Saint Mary's County is allocating \$950,000 annually to upgrade its stormwater management systems due to heavier rainstorms.⁵ Annapolis is investing \$54 million to update its dock infrastructure in response to chronic flooding.⁶ Prince George's County demands \$60 million annually for its Stormwater Management Enterprise Fund, absent other revenue sources.⁷ Howard County is spending \$228 million on flood prevention efforts in Ellicott City.⁸ By 2040, Maryland will need \$27 billion to build seawalls in response to rising sea levels.⁹ The consequences of climate change are costly, and taxpayers are currently shouldering 100% of the burden.¹⁰

This issue becomes even more pressing when considering that just 100 companies are responsible for 71% of global emissions since 1988, emphasizing the disproportionate impact a small number of companies have on the climate crisis.¹¹ One of these companies, ExxonMobil, knew about the climate crisis as early as 1977, a decade before it became a public issue.¹² Despite this knowledge, ExxonMobil continued to spread doubt and misinformation about climate change science. Mirroring the tobacco industry, which denied the health risks of smoking, ExxonMobil hired the same consultants to create public communication strategies designed to discredit climate change.¹³ In the 1970s and 80s, ExxonMobil conducted groundbreaking research by empirically sampling carbon dioxide and building rigorous climate models, which provided conclusive evidence that carbon emissions from burning fossil fuels would lead to global warming.¹⁴ However, during a 1988 congressional hearing, when NASA scientist James Hansen explained the emerging issue of global warming, ExxonMobil publicly

⁴ Id., at 4

⁵ CCAN Action Fund, *RENEW Act Responding to Emergency Needs from Extreme Weather* (n.d.), <https://ccanactionfund.org/renewact/>

⁶ Id., at 6

⁷ Lateshia Beachum, *Prince George's leaders weigh spending cuts as shortfall looms*. The Washington Post (January 16, 2024)

⁸ Id., at 6

⁹ Center for Climate Integrity, *High Tide Tax: The Price to Protect Coastal Communities from Rising Seas* (June, 2019), https://www.climatecosts2040.org/files/ClimateCosts2040_Report.pdf

¹⁰ Data for Progress, *Maryland Climate Superfund* (February 28, 2023)

¹¹ Tess Riley, *Just 100 companies responsible for 71% of global emissions, study says*. The Guardian (July 10, 2017), <https://www.theguardian.com/sustainable-business/2017/jul/10/100-fossil-fuel-companies-investors-responsible-71-global-emissions-cdp-study-climate-change>

¹² Shannon Hall, *Exxon Knew about Climate Change almost 40 years ago*. *Scientific American, Climate Change* (Oct. 26, 2015),

<https://www.scientificamerican.com/article/exxon-knew-about-climate-change-almost-40-years-ago/>

¹³ Id., at 15

¹⁴ Id., at 15

claimed that the science was still controversial.¹⁵ The RENEW Act holds polluting corporations accountable for their role in the climate crisis.

HB 128, the Responding to Emergency Needs from Extreme Weather (RENEW) Act is a guaranteed taxpayer protection bill. The bill will not raise consumer prices by passing the fee cost along to consumers since the companies required to pay will still have to compete with smaller producers who do not have to pay the fee. Furthermore, in addressing the potential legal challenges the bill may face, the office of the Attorney General concludes that the MDE study will make the bill more defensible.

This premise is simple, if you make a mess, you clean it up. Maryland taxpayers should not bear the costs of extreme weather. Fossil fuel companies have made record profits while escalating the climate crisis and avoiding accountability. States like Vermont and New York have already enacted similar successful measures through their respective Climate Superfund Acts, both passed in 2024. Recently, New Jersey legislators voted to advance their own Climate Superfund Act.

Economic equity serves as a catalyst and an often overlooked pathway for social reform. The burden of addressing climate challenges should not fall on taxpayers but on the companies responsible for the damage.

An amendment to the bill has been submitted for committee consideration; ensuring at least 40% of qualified expenditures from the fund shall be used for projects that prioritize communities with the highest environmental justice scores, as determined by the Maryland EJ tool.

Thank you for your consideration, I urge a favorable report on HB 128.

Respectfully,



Delegate David Fraser-Hidalgo

¹⁵ Id., at 15