

TO: House Economic Matters and Environment & Transportation Committees

FROM: Mid-Atlantic Petroleum Distributors Association

DATE: January 23, 2025

RE: HOUSE BILL 128 – Responding to Emergency Needs From Extreme Weather Act of 2025

On behalf of Maryland's convenience store marketers and energy distributors, MAPDA urges the committee to issue an unfavorable report on HB128.

This legislation would establish a program through which certain fossil fuel companies would be fined for historical greenhouse gas (GHG) emissions.

Our members are concerned with the downstream effects of the bill. Specifically, the downstream costs incurred by distributors, retailers, and customers as a result of the fines – estimated at \$9 billion.

There are also serious legal questions surrounding the bill as evidenced in court proceedings in other states where similar legislation has been passed. The fiscal impact to the state must also be considered. As the fiscal and policy note to last year's introduction (HB1438 of 2024) points out, "MDE general/special fund expenditures increase significantly (almost certainly by more than \$1.0 million annually) beginning in FY 2025."

Thank you for your consideration. We urge the Economic Matters and Environment & Transportation Committees to issue an **UNFAVORABLE COMMMITTEE REPORT on HB128**.