

Senator Chris Van Hollen Testimony on the Responding to Emergency Needs from Extreme Weather (RENEW) Act of 2025

Chair Feldman, Vice Chair Kagan, and members of the Education, Energy, and the Environment Committee, thank you for the opportunity to submit testimony on the Responding to Emergency Needs from Extreme Weather (RENEW) Act of 2025. There has never been a more urgent need to pass this important legislation into law. I want to thank Senator Katie Fry Hester and Delegate David Fraser-Hidalgo for their leadership on this legislation, and the work they have put in to making the RENEW Act of 2025 even stronger than the proposal put forward last year.

The Center for Climate Integrity estimates that it would cost Maryland \$27.4 billion by 2040 just to build seawalls to protect our coastal communities from sea level rise. It will take more to ensure a just transition to a clean energy economy, build resilient infrastructure across the state, and respond to more severe natural disasters.

The RENEW Act is a state-based approach to a proposal I have put forward at the federal level: the Polluters Pay Climate Fund Act. Both bills are based on a simple principle – that companies most responsible for causing the harms should bear the costs of repairing them, not the taxpayers. And that those who polluted the most should pay the most. It is modeled in some ways after the Superfund program for the cleanup of sites contaminated by hazardous materials.

Using peer-reviewed “carbon attribution” research, it is possible to definitively attribute carbon and methane in the atmosphere to specific companies like ExxonMobil, Chevron, and Shell. The RENEW Act uses this methodology to establish a Climate Change Adaptation and Mitigation Payment Program. The legislation tasks the State Treasurer with assessing the payments due from the highest-polluting companies based on their contribution to global emissions. Those funds will then be invested in clean energy and energy efficiency programs, climate-resilient infrastructure build-out, and other efforts that support climate change adaptation and mitigation – particularly in those communities most impacted by pollution and climate risk.

There are no Maryland companies among the major polluters covered by the RENEW Act. In addition, under economic principles accepted across the ideological spectrum, costs imposed on fossil fuel companies would not be passed on to consumers. The recovery payments are based on past, not current, activity, so they do not impact the ongoing costs of production. They are charged to those with the highest past production, leaving some companies who are not subject to recovery payments as price competitors and rivals for market share. Any attempts to collude to set a higher price would be illegal – and unlikely to attract companies who aren’t covered by the bill or have a lower pro-rata payment and a market-based incentive to undercut those who raise prices.

Importantly, the RENEW Act does not pre-empt any communities that are justly seeking damages from the fossil fuel industry. They remain entitled to their day in court.

The RENEW Act presents an opportunity to protect our communities, address environmental injustice, and transition to a clean energy future by ensuring the biggest polluters – not Maryland taxpayers – pay the cost.

I support this legislation and request that the Committee give it full consideration.