



SB 149
RESPONDING TO EMERGENCY NEEDS FROM EXTREME WEATHER
(RENEW ACT)

**TESTIMONY OF BRITTANY BAKER, MARYLAND POLICY DIRECTOR AT THE
CHESAPEAKE CLIMATE ACTION NETWORK**

Chair Feldman, Vice Chair Kagan, and Members of the Senate Education, Energy, and the Environment Committee and the Finance Committee,

We cannot ignore the fact that the effects of climate change are increasing every day in Maryland.¹ Severe flooding, intense heat waves, drought, saltwater intrusion, and major storms pose a dangerous threat to the state. Right now, it is Maryland citizens who are paying the costs to deal with these extreme weather events. The RENEW Act provides a solution that protects residents from these escalating costs. The bill would bring in billions of dollars that will be used to prepare and respond to the escalating impacts of climate change.

The RENEW Act is a cost-shifting bill that is based on a simple premise: the public should not be financially responsible for the externalities of private companies.

There is broad public support for this policy. US Senator Van Hollen was the first to introduce this policy approach in Congress. New York state and Vermont have both passed similar legislation in the past year. California, Massachusetts, Minnesota, New Jersey, and Virginia are all considering similar legislation. 71% of Marylanders support the RENEW Act² and the bill has been endorsed by over 60 local organizations.

The updated bill language has three phases of implementation. First, Maryland agencies, the Comptroller's Office, and the State Treasurer will study the cost impacts of climate change in the state and quantify a total assessment for the largest, most polluting fossil fuel companies. Then, these companies would be notified of their proportional one-time assessment of the total fee required due to the cost quantification study. The largest, most polluting fossil fuel companies would be charged the highest portion of the total assessment. Smaller, less polluting companies would be charged less. Fossil fuel companies that did not emit over 1 billion tons of greenhouse gases between 1994-2023 would not be charged. All liable companies would be able to pay their fees in a one-time payment or in equal parts across 10 years.

Lastly, once the fees are collected, The Maryland Department of the Environment would lead the redistribution of these funds across the state via the newly established Climate Change Mitigation and Adaptation Fund. The qualified expenditures are outlined in the bill and cover a host of climate change

¹ <https://climateintegrity.org/uploads/media/CCI-Maryland-ImpactsAndCosts-2024.pdf>

² Based on the Maryland State Polling conducted by Gonzales Polls in January 2025.



issues areas. For example, these funds could be used for stormwater infrastructure upgrades in Prince George's County, wastewater treatment facility relocations in Kent County, extreme heat preparedness in Baltimore City, or flood mitigation in Howard County. State, local, and county projects would be eligible to receive investments from the fund. All of the projects would need to be resilience projects that increase the ability of Maryland to withstand the impacts of escalating climate instability. Further, forty percent of the funds would need to be invested in communities identified as overburdened and underserved by the Maryland Department of the Environment screening tool to ensure that funds are being equitably distributed across the state.

The most important aspect of this bill is that this one time assessment, on the small subset of fossil fuel companies who are the largest and most polluting, cannot be passed onto Maryland consumers. This is due to basic economic principles of profit maximization and the fact companies will only be able to incorporate the assessment as a one-time fixed cost.³

The RENEW Act is fiscally responsible, prudent, timely, and necessary to safeguard the most vulnerable people and regions of our state from escalating and costly impacts of a changing climate.

I respectfully request a favorable report on SB 149.

³ <https://policyintegrity.org/publications/detail/enacting-the-polluter-pays-principle>