ALA_MD Testimony - SB 882 - Coal Dust Clean Up- 2.
Uploaded by: Aleks Casper
Position: FAV

American Lung Association.
Maryland

February 25, 2025
Senate Bill 882
Education, Energy and the Environment Committee
Support

Chair Feldman, Vice-Chair Kagan and Members of the Education, Energy and the Environment Committee:

Thank you for the opportunity to provide comments in support of the Coal Dust Cleanup and Asthma Remediation Act, Senate Bill 882 and House Bill 1088. The American Lung Association is the oldest voluntary public health organization working to save lives by improving lung health and preventing lung disease, through research, education and advocacy.

The American Lung Association in Maryland supports investments to help protect public health from the impacts of fossil fuel use for energy production. Imposing a fee on the transport of coal through the state would allow for the proceeds to be used to fund programs that align closely with the Lung Association's policy goals of moving to a zero-emission future across buildings and transportation and support investments in asthma programs and treatment for those communities most impacted by coal dust.

The health problems of extracting, transporting and burning coal for electricity are serious. The American Lung Association supports the immediate phase-out of conventional coal-fired power plants as the nation transitions to a clean energy future. The Lung Association believes that the U.S. should not continue to expand its coal-fired generating capacity because of the extensive scope of health risks associated with the use of coal and the disproportionate impact on local communities.

A 2024 study from researchers at the University of California Davis found that transporting coal by rail comes with serious health risks for people who live nearby. Trains continuously generate fine particles, which can penetrate deep to the lungs and even the bloodstream, causing asthma attacks, heart problems and even premature death. The study also found that this pollution especially affects communities of color, low-income communities and children and seniors. The same is likely true here in Maryland, where those nearest the rail lines bear a health burden from the transport of coal.

Marylanders also have an additional burden of air pollution from the unhealthy ozone levels our state experiences, which adds to the lung health burden of coal transport. The American Lung Association's 2024 "State of the Air" report found that two counties received a failing grade for high ozone pollution, with another four counties receiving a 'C' or lower.

Ozone ("smog") and particle ("soot") pollutants can intensify symptoms of existing lung disease, such as asthma attacks and emergency room visit in the short term. Long term exposure to air pollution can interfere with lung development for babies and children and can contribute to the development of new diseases (asthma, cancer, chronic inflammatory lung disease and diabetes)

American Lung Association.
Maryland

and can lead to cognitive impairments later in life. Children and the elderly are more susceptible to these health impacts. Currently in Maryland, 80,837 adults and 504,338 children are currently living with asthma, and another 242,664 are managing other lung illnesses, increasing their risk from the aforementioned impacts of air pollution. The inclusion of funding to support asthma programs including outreach and treatment for those communities most impacted by coal dust is a critical piece of this bill. According to the Maryland Department of Health, in 2020 the health care costs for asthma-related emergency departments totaled $34 million and asthma-related hospitalizations cost an additional $15.5 million totaling $49.5 million.

Additionally, reducing greenhouse gas emissions causing climate change is similarly imperative to lung health. This is because climate change is making the job of cleaning our air much more difficult, as temperatures rise and drive conditions for unhealth ozone pollution days and wildfire smoke, among other health challenges.

We're glad to see that nearly a quarter of proceeds would go to activities and programs related to increasing home energy efficiency and electrification, and another quarter reducing greenhouse gas emissions in buildings. The buildings sector is a source of both the greenhouse gases that drive climate change and emissions that harm human health directly. Americans spend about 90% of our time indoors, making good indoor air quality critical to the health of families. Cleaning products, mold and moisture, pests and even the appliances that we use, such as our water heater, furnace and stove, can all impact our air quality.

Appliances that burn natural gas, propane, heating oil or wood can release hazardous pollutants such as nitrogen dioxide, benzene and carbon monoxide into our homes. Using these appliances may increase the risk of breathing problems, asthma attacks, respiratory infections and other health harms – especially for children and the elderly. Programs to help people transition to newer, efficient electric appliances will improve indoor air quality and help our families breathe easier.

We also support the 22% that would go to reducing greenhouse gas emissions from vehicles, and another 20% investing in mass transit. In the United States, transportation and electricity generation are leading sources of unhealthy air and the pollutants that cause climate change. Those living near highways, ports, railyards, warehouses, and other transportation hubs are at greater health risk. The good news is, investing in clean transportation is a win-win, addressing both climate change and local pollution impacts at the same time. The Lung Association's Zeroing in on Healthy Air" report found that shifting to zero-emission vehicles and electricity production would yield more than $1.2 trillion in health benefits and 110,000 pollution-related deaths avoided over the coming decades nationwide, along with over $1.7 trillion in global climate benefits. Maryland would see $27.8 billion in cumulative public health benefits and avoid 2,530 premature deaths, 63,600 asthma attacks and 315,000 lost days.

American Lung Association.
Maryland

Maryland can prioritize policies that meaningfully reduce criteria air pollutants, curb greenhouse gas emissions and ultimately protect the health and well-being of Marylanders in the long term.

I respectfully urge a favorable report for the Coal Dust Cleanup and Asthma Remediation Act for the benefits of reduction toxic air pollution and improving lung health, particularly for protecting our most vulnerable populations.

Sincerely,

Aleks Casper
Director of Advocacy
American Lung Association in Maryland

SB0882 Testimony_Alison Chang_CPSR.pdf
Uploaded by: Alison Chang
Position: FAV

Committee: Education, Energy, and the Environment
Testimony on: SB0882/HB1088 – Coal Dust Cleanup and Asthma Remediation Act
Position: Favorable
Hearing Date: February 27, 2025

Submitted on behalf of Chesapeake Physicians for Social Responsibility (CPSR). Chesapeake Physicians for Social Responsibility (CPSR) is a statewide evidence-based organization of over 900 physicians and other health professionals and supporters that addresses existential public health threats: nuclear weapons, the climate crisis, and the issues of pollution and toxic effects on health, as seen through the intersectional lens of environmental, racial and social justice.

CPSR strongly supports SB0882, which aims to establish a $13 per ton fee on coal transported through Maryland, ensuring that coal-related pollution is not treated as an externalized cost disproportionately shouldered by our local communities. The bill also proposes creating a dedicated Fossil Fuel Mitigation Fund to address the harms of coal pollution, as it will direct revenue towards asthma treatment programs for residents impacted by coal dust and other climate initiatives that reduce greenhouse gas emissions and promote mass transit.

Background. For nearly 150 years, the coal transport terminal in Curtis Bay has exposed generations of local residents to coal dust.[1] Despite ongoing denial from CSX with claims that the black soot could be diesel residue or soil, a recent community-led report in partnership with Johns Hopkins researchers officially confirmed the presence of coal dust in South Baltimore.[2] This important finding validates the enduring concerns of residents who have long reported the frequent dark plumes of dust rising over their neighborhoods and infiltrating their homes and they suspect their lungs, forcing some to leave their windows closed indefinitely.[3] The overwhelming danger of coal transport further became undeniable in 2021 when a dangerous coal explosion rocked the community, one that has already experienced a myriad of compounding harms, including exposure to known carcinogens from the largest medical waste incinerator in the country.[2]

It has become abundantly clear that the coal-related pollution from such terminals is not just an isolated issue, but part of a broader pattern of environmental harm in an area once ranked among the country's most polluted zip codes from air pollution – and worst among the state.[3] The port of Baltimore continues to be the second largest coal exporter in the United States, and CSX is

[1] https://www.thebaltimorebanner.com/community/climate-environment/curtis-bay-residents-fight-csx-coal-traveling-through-port-of-baltimore-I5TS5TZ3MJGUHJFN7TMOFQVLVU/
[2] https://magazine.publichealth.jhu.edu/2024/community-vs-coal-reclaiming-health-curtis-bay
[3] https://www.baltimoremagazine.com/section/health/curtis-bay-south-baltimore-air-pollution-coal-incineration-public-health-impacts/

one of two Baltimore coal terminals that exported nearly 30 million metric tons of coal in 2023 alone and polluted the community while avoiding any sense of accountability.[4]

Public Health and Environmental Concerns. Why is coal dust so harmful? Coal dust contains particulate matter (PM), and the smallest particles of which, known as PM2.5, are the most worrisome. The presence of coal terminals significantly increases the ambient concentrations of such pollutants.[5] Small enough to enter the lungs and bloodstream, PM2.5 is associated with heart disease, lung cancer, and numerous respiratory conditions like asthma and chronic obstructive pulmonary disease (COPD).[6] The effects are deadly, as PM2.5 remains one of the world's leading causes of air pollution attributable deaths.[6]

Similarly, the health consequences seen in the community statistical area that includes Brooklyn, Curtis Bay and Hawkins Point – the southernmost part of South Baltimore – are profound. Compared to the rest of the country, these communities have asthma-related hospitalization rates that are three times higher.[3] Compared to the rest of the city, these communities have an average lifespan that is around four years less (69.7 years versus 73.7 years), a disparity that expands to nearly eight years when compared to the surrounding Baltimore County.[7,8] Furthermore, age-adjusted mortality rates due to heart disease, lung cancer, chronic lower respiratory disease and even all cancers were higher when compared to the Baltimore City.[9] These devastating health harms overwhelmingly burden this part of South Baltimore that already experience limited healthcare access, lower median household income, and higher family poverty rates.[8]

Environmental factors further exacerbate these health impacts, with only 19.8% green space coverage compared to 33.1% citywide, and over 80% of the land there zoned for industrial use.[8] Curtis Bay communities, in particular, have experienced multiple industrial incidents causing environmental harm beyond coal pollution, such as a fire from the Petroleum Management and a chlorosulfonic acid leak from Solvay Industries.[3] By funding targeted asthma treatment programs and pollution mitigation efforts, this bill is a crucial opportunity to begin addressing these cumulative health and environmental burdens that have long demanded accountability.

Need for Action. While Maryland has made progress in reducing greenhouse gas emissions, including setting a state-wide goal for zero emissions by 2045, current funding for greenhouse gas pollution mitigation is insufficient to address the full scope of the challenge. By enforcing a coal transportation fee, this bill is a critical step towards ensuring those who profit from fossil fuel use contribute fairly to the costs of mitigating its health and environmental effects, so that the financial responsibility is not unfairly shouldered by South Baltimore residents. Furthermore, this bill sets an important precedent that polluting industries cannot simply externalize their costs onto communities and turn a blind eye to the harms of their pollution. The legislation productively addresses the need for sustainable investment in community protection and climate resilience, particularly as extreme climate events become more frequent.

As a public health graduate student in Baltimore and future physician, I am deeply concerned about my surrounding communities that have long experienced unchecked pollution from coal

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[4] https://engineering.jhu.edu/news/study-confirms-coal-dust-presence-in-baltimores-curtis-bay-raising-health-concerns/
[5] https://ucdavis.app.box.com/s/sh55sgeix0r39k07zfsai1tcamux8qpw
[6] https://www.stateofglobalair.org/health/pm
[7] https://marylandmatters.org/2024/09/19/cdc-maryland-saw-slight-increase-in-life-expectancy-in-2021-in-depths-of-pandemic/
[8] https://health.baltimorecity.gov/sites/default/files/NHP 2017 - 04 Brooklyn-Curtis Bay-Hawkins Point (rev 6-9-17).pdf
[9] https://pmc.ncbi.nlm.nih.gov/articles/pmid/38099060/

dust and well-documented health risks associated with this deadly exposure. **Therefore, representing Chesapeake Physicians for Social Responsibility, we strongly urge you to support the Coal Dust Cleanup and Asthma Remediation Act**, as the bill takes critical action to mitigate longstanding harms, invest in community health, and enforce greater accountability from polluting industries.

Clean air should not be a privilege but a fundamental human right, and our communities deserve meaningful action to protect it.

Alison Chang
Medical Student and MPH Student
achang85@jh.edu

Affiliations:
Johns Hopkins Bloomberg School of Public Health
Chesapeake Physicians for Social Responsibility
University of California, San Francisco School of Medicine

SB0882 coal dust Feb 2025.pdf
Uploaded by: Ann Bristow
Position: FAV

SB0882: Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)

Education, Energy, and the Environment: February 27, 2025

FAVORABLE

Testimony submitted by:
Ann Bristow, Ph.D., Emeritus Professor, Frostburg State University
92 Carey Run, Frostburg, MD 21532. (Garrett County)

Coal dust is isn't just a Baltimore City issue. It affects all the communities along the coal route, including Western Maryland, where I live.

I am a health educator living near the border of Allegany and Garrett Counties. I live 5 miles from an active strip (surface) mine in Allegany County whose open scar and frequent dust clouds I see every time I drive east on I-68. I live about 20 miles from an underground coal mine, and when I drive southwest to the county seat in Oakland, I am following or being followed by numerous coal trucks servicing that mine.

CSX has major rail lines going through Cumberland — 12 miles to my east, a prime site for pick up not just for this coal but for regionally mined coal making its way east for further transport. Some of the coal mined near me is metallurgical coal, a grade of coal used to produce high-quality coke, the primary source of carbon used in steelmaking.

“This coal is blended at export terminals on the US East Coast for sale to international customers.” For example, see: Corsa Coal Corp. https://www.corsacoal.com/

Allegany County, where Cumberland and CSX are situated, is the 2nd poorest county in the State, and extraction, processing, burning and transport of coal have left their mark on the health of our residents, through the air and in our streams.

Allegany County has the highest rate of “all cancers” in Maryland and ranks in the top quarter (18th out of 24) of counties with highest incidence of cardiovascular disease. Both cancers and cardiovascular disease have established links with air pollution, and historical and current coal mining (surface and deep mine) and combustion of coal are significant sources of this pollution.

https://statecancerprofiles.cancer.gov/incidencerates/index.php?stateFIPS=24&areatype=county&cancer=001&race=00&sex=0&age=001&stage=999&year=0&type=incd&sortVariableName=rate&sortOrder=default&output=0#results

https://nccd.cdc.gov/DHDSPAtlas/Reports.aspx

And latest data from the Maryland Department of Health on asthma by jurisdiction shows asthma rates two times higher in Allegany county compared to Maryland as a whole.
https://health.maryland.gov/phpa/mch/Documents/asthma_control/Profile_Allegany.pdf

The residents of western Maryland would greatly benefit from the remediation and coal dust containment this bill offers.

Please work for the passage of SB0882 for the wellbeing of us all.

SB0882_FAV_MedChi_Coal Transportation Fee & Fossil
Uploaded by: Ashton DeLong
Position: FAV

MedChi

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Senate Education, Energy, and the Environment Committee
February 27, 2025
Senate Bill 882 – *Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)*
POSITION: SUPPORT

The Maryland State Medical Society (MedChi), the largest physician organization in Maryland, supports Senate Bill 882.

This bill would impose a coal transportation fee on a person who transports coal in the State to fund a Fossil Fuel Mitigation Fund. The fund's purpose is to support activities that reduce greenhouse gas emissions from fossil fuels and their impacts in the State.

MedChi thanks the bill sponsor for ensuring that a portion of the fund will go to asthma treatment programs for communities impacted by coal dust. Coal dust can significantly worsen asthma symptoms and contribute to the development of respiratory issues, including airway irritation, inflammation, increased asthma attacks, and long-term lung damage. Children, the elderly, and other vulnerable populations with pre-existing respiratory conditions are particularly sensitive to coal dust exposure.

MedChi has adopted a Resolution to support state legislation and regulations that move Maryland away from fossil fuel use to pollution-free, renewable energy. Such actions will help the State reap immediate and ongoing health and equity benefits. This bill's goal of reducing greenhouse gas emissions from fossil fuels and their public health impacts in Maryland aligns with our Resolution. For these reasons, we request a favorable report on Senate Bill 882.

For more information call:
Ashton DeLong
General Counsel

MCHI_FAV_SB882.pdf
Uploaded by: Catherine Kirk Robins
Position: FAV

Testimony in Support of Senate Bill 882

Coal Transportation Fee and Fossil Fuel Mitigation Fund

Coal Dust Cleanup and Asthma Remediation Act

By Catherine Kirk Robins, Deputy Director of Maryland Citizens' Health Initiative

Before the Education, Energy, and the Environment Committee

February 27, 2025

Chairman Feldman, Vice Chair Kagan, and Members of the Committee;

Thank you for your consideration of Senate Bill 882, the Coal Dust Cleanup and Asthma Reduction Act, and thank you to Senator Rosapepe for introducing this important bill. I am writing today in support of this legislation on behalf of our individual organization, Maryland Citizens' Health Initiative, Inc, as we have not reviewed the bill with the full Maryland Health Care for All! Coalition.

As an organization, it is our mission to ensure that all Marylanders have access to quality, affordable health care. The dedicated funding in this legislation that would go towards asthma treatment for communities impacted by coal dust would help advance that goal. Recent CDC data estimates that approximately 450,000 Marylanders have asthma.[1] With the lifetime health care cost of asthma estimated at $36,500, those afflicted are faced with considerable economic burdens, as is our health care system as a whole.[2] Establishing a dedicated fund to help mitigate these health impacts is likely to improve health outcomes and advance health equity due to low-income communities' proximity to coal processing and shipment facilities.

We thank the Committee for your work on this important issue and urge a favorable report of SB 882.

[1] https://www.cdc.gov/asthma/most_recent_data_states.htm

[2] https://pubmed.ncbi.nlm.nih.gov/32931705/

SB0882_Coal_Dust_Cleanup_and_Asthma_Remediation_Ac

Uploaded by: Cecilia Plante

Position: FAV

MARYLAND LEGISLATIVE COALITION

TESTIMONY FOR SB0882
Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Mitigation Fund)

Bill Sponsor: Senator Rosapepe
Committee: Education, Energy, and the Environment
Organization Submitting: Maryland Legislative Coalition
Person Submitting: Cecilia Plante, co-chair
Position: FAVORABLE

I am submitting this testimony in strong support of SB0882 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

This bill is a timely and welcome solution to the current budgetary crisis that is already putting a pinch on the state's climate goals. It also brings in funds from the very same people who put us in the horrible position we are in terms of climate change.

The bill would require that those businesses that bring fossil fuels into Maryland pay a fee of $13 per short ton. The revenues from those fees would then be used to pay for our climate programs. Approximately 40% of the revenues received would support overburdened and underserved communities, and approximately $5 million would be set aside for asthma treatment programs targeting residents living along coal transport routes.

Our members would very much like to see the companies that made fortunes off of harming our health and our planet pay for what they knowingly did. We strongly support this bill and recommend a **FAVORABLE** report in committee.

ECA testimony SB0882 Coal Dust.pdf
Uploaded by: Frances Stewart
Position: FAV

SB0882 - SUPPORT
Frances Stewart, MD
Elders Climate Action Maryland
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SB0882, Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthmas Remediation Act)

Meeting of the Education, Energy, and the Environment Committee

Feb. 27, 2025

Dear Chair Feldman, Vice Chair Kagan, and Members of the Education, Energy, and the Environment Committee, on behalf of Elders Climate Action Maryland, I urge a favorable report on SB0882, the Coal Transportation Fee and Fossil Fuel Mitigation Fund.

Elders Climate Action is a nationwide organization devoted to ensuring that our children, grandchildren, and future generations have a world in which they can thrive. The Maryland Chapter has members across the state.

Each day, we see the climate crisis more clearly. We know that Maryland is at risk for sea level rise, flooding from intense rainfall, heat waves, and other extreme weather events. Maryland can also be a leader in moving us to a safer, cleaner future where we all can thrive. The clean energy transition is an essential part of that future.

In 2022, the Maryland General Assembly passed the Climate Solutions Now Act which set the most ambitious greenhouse gas reduction goals in any state law. In December 2023, the Maryland Department of the Environment released the Climate Pollution Reduction Plan which set out a plan to reach those vital goals. We strongly support that plan and its implementation.

The plan identified the costs of the actions we must take to protect our children and grandchildren's futures. Those costs are estimated to be about $1 billion each year. The plan also recommended funding sources. One of those was a Hazardous Substance Fee. This bill would create such a fee.

We are well aware that Maryland is in a budget crisis that is aggravated by recent changes in the Federal government. That makes passage of this bill even more urgent.

The bill is modeled on Maryland's existing fee for oil. It would charge a modest fee on coal transported into Maryland, and that money would be deposited in a Fossil Fuel Mitigation Fund. Although the fee is modest, it would bring in over $250 million dollars each year. It would not raise prices in Maryland and is very unlikely to negatively impact businesses in Maryland, including the port of Baltimore.

In addition to raising vitally needed funds for climate mitigation, it would help the communities that are negatively impacted by coal transport. The coal transported through Maryland in open rail cars loses a tremendous amount of dust, which results in increases in asthma and other respiratory illnesses from Garrett County to Baltimore. At least 40% of the funds would be directed to assist those communities.

For all of these reasons, we strongly urge a favorable report on SB0882.

Healthy Climate Maryland SUPPORT SB 882_Coal Dust
Uploaded by: Healthy Climate Maryland N/A
Position: FAV

February 27, 2025

SUPPORT SB 882 - Coal Dust Clean Up and Asthma Mitigation Fund
Education, Energy, and the Environment Committee

Thank you for the opportunity to support SB 882, The Coal Dust Clean Up and Asthma Mitigation Fund. We support the approach in SB 882 to generate much-needed funding for climate solutions, assessing a modest fee on coal transported into the state. This approach replicates an existing fee for oil maintained by the Maryland Department of the Environment. The estimated revenue for the state is estimated to surpass $250 million annually and be deposited into a newly created “Fossil Fuel Mitigation Fund.” This significant revenue source takes an important step in ensuring that Maryland is able to achieve its climate goals and continue to set the standard nationally on climate policy.

Additionally, this legislation directly supports communities most harmed by the pollution left behind by the coal transportation through the state. The impact of coal dust can be felt especially severely in Baltimore City, as well as communities along the coal route, including Frostburg, Hagerstown and other Western Maryland communities. Coal dust contains the air pollutant, particulate matter (PM). PM is classified by regulatory agencies based on the size of the particles, with the smaller particles like PM2.5 (particles measuring 2.5 micrometers or less) being more dangerous because they can penetrate someone’s lungs more deeply if inhaled. A University of California, Davis study of a coal terminal and nearby rail holding yard in the city of Richmond, CA found that the storage of coal and coal cars at the rail yard significantly increased ambient concentrations of PM2.5. “Terminal operations involving coal transport, storage, and handling significantly increase community exposure to ambient PM2.5. These PM2.5 increments subsequently increase the risk of a wide range of adverse health effects with environmental justice implications.”

PM2.5 is one of the world’s leading causes of mortality, accounting for over 4 million, or 62%, of the global total estimated 6.7 million premature deaths from air pollution annually. The most vulnerable populations to adverse impacts from air pollution exposure include young children, older adults, those with chronic illnesses, communities of color, and economically disadvantaged communities.

Long term exposure to PM2.5 is associated with premature death from all causes, as well as from cardiovascular, respiratory disease and lung cancer. There is also strong evidence that PM2.5 can cause cardiovascular disease. Other specific conditions associated with PM2.5 include coronary artery disease, hypertension, diabetes, respiratory infections, chronic lung disease, preterm births, new onset asthma, impaired lung development in children, pneumonia incidence, increased preterm birth, low birth weight, Alzheimer, and Parkinson’s. Short term exposures are associated with exacerbations of asthma and chronic lung disease, emergency department visits, and strokes.

The fund established by this bill ensures that at least 40% of the funding raised by this bill are directed to support the overburdened and underserved communities impacted by this pollution, with additional resources directed to support asthma treatment programs.

In December 2023, the Maryland Department of the Environment released the Climate Pollution Reduction Plan (Climate Plan), and identified the state would need to invest $1 billion annually to achieve the state's greenhouse gas emissions reduction targets. This investment is expected to yield up to $321 million in additional health benefits in 2031 compared to current policies. SB882 implements one of the recommendations specified in the plan as a solution to help fund this plan - a "Hazardous Substance Fee" that would be paid into the Strategic Energy Investment Fund to fund the investments outlined in the Climate Plan.

Thank you for the opportunity to support SB 882, The Coal Dust Clean Up and Asthma Mitigation Fund.

About Healthy Climate Maryland

United by a shared commitment to the health and well-being of all Marylanders, Healthy Climate Maryland is a coalition of dedicated public health and medical professionals that seeks to address climate change and environmental challenges by focusing on their impacts on public health. We are working to educate, advocate, and build strong partnerships towards a healthier, more sustainable future for Maryland.

About the Maryland Public Health Association

The Maryland Public Health Association (MdPHA) is one of the oldest and most vibrant state affiliates of the American Public Health Association (APHA) and Maryland's leading professional organization for those working in the field of public health. MdPHA remains dedicated to increasing health equity for Marylanders through advocacy and community collaborations. We are committed to engaging the public health community in networking and educational events, advocacy activities and in emerging issues affecting the health of Marylanders.

SB 882 Coal Transportation Fee and Fossil Fuel Mit

Uploaded by: Humna Sharif

Position: FAV

The Nature Conservancy
Protecting nature. Preserving life.

The Nature Conservancy
Maryland/DC Chapter
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nature.org

Thursday, February 27, 2025

TO: Brian Feldman, Chair of the Senate Education, Energy, and the Environment Committee; and Committee Members
FROM: Humna Sharif, The Nature Conservancy, Climate Adaptation Manager; Michelle Dietz, The Nature Conservancy, Director of Government Relations
POSITION: Support SB 882 Coal Transportation Fee and Fossil Fuel Mitigation Fund

The Nature Conservancy (TNC) supports SB 882, offered by Senator Rosapepe. TNC is a global conservation organization working to conserve the lands and waters on which all life depends. In Maryland, our work focuses on delivering science-based, on-the-ground solutions that secure clean water and healthy living environments for our communities, reducing greenhouse gas emissions, and increasing resilience in the face of a changing climate.

SB 882 represents an essential step in strengthening Maryland's approach to reducing climate pollution in the state. This legislation would impose a small fee on the transportation of coal in Maryland. The $13 per ton fee levied against the coal carriers would generate an estimated $250 million in revenue for Maryland. These funds would be deposited into a newly created "Fossil Fuel Mitigation Fund" that can be used for a suit of permitted activities, including improving home efficiency, investing in public transportation, and switching to clean energy solutions. Furthermore, forty percent of the newly generated funding would go towards activities and programs that address the negative impacts of climate change in overburdened and underserved communities in the state. SB 882's approach will address the disproportionate environmental and public health harms that overburdened communities in Maryland face from pollution-generating activities or facilities sited in their neighborhoods, thus improving public health outcomes for the state. Finally, SB 882 has exceptions for coal transported for agricultural uses neutralizing any impacts on our state's farmers. This bill has a balanced and well thought out approach to climate mitigation that will bring benefits to Maryland residents across the state.

In 2022 with the passage of the Climate Solutions Now Act (CSNA), Maryland set some of the most ambitious goals in the country to achieve carbon neutrality and reduce climate pollution. Following this, in 2023, the Climate Pollution Reduction Plan (climate plan) was released and is the framework that charts a path for Maryland to achieve the goals of CSNA. Within the climate plan, the cost to implement appropriate climate mitigation and resilience strategies was calculated to be about $1 billion annually. One of the revenue generations recommendations within the state's climate plan is to levy fees on fossil fuel carriers in the state – a Hazardous Substance Fee that would be paid into a Strategic Energy Investment Fund. This legislation would create the necessary enabling mechanism to implement the recommendations of the climate plan and passage of this legislation avoids direct impacts to Maryland taxpayers. Furthermore, researchers at the University of Maryland Center for Environmental Science recently completed a study demonstrating that the fee structure of SB 882 is modest enough that the additional cost to coal companies would be less than half of what it would cost to re-route shipments to the next business port in Virginia. We recognize that the Port of Baltimore is a key hub of economic activity in the state, and SB 882 would not threaten the vibrancy of this export terminal. This new study has been submitted for the committee's consideration by the League of Conservation Voters.

TNC urges the committee to support this legislation as it aligns with Maryland's commitment to climate mitigation and resilience, as well as public health. As our state looks at budget cuts for the next several fiscal years, revenue generation bill like SB 882 can ensure that our climate goals are funded. We commend Senator Rosapepe for his leadership in introducing SB 882.

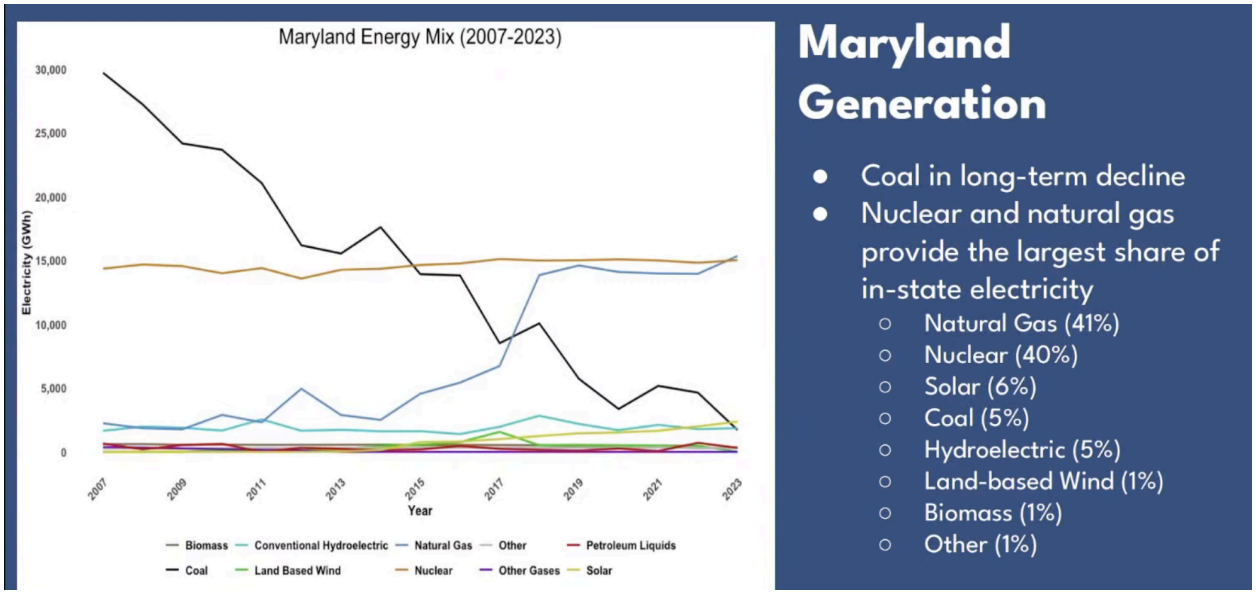
Therefore, we urge a favorable report on SB 882.

CCAN Testimony for Asthma Mitigation Fund.pdf
Uploaded by: Jamie DeMarco
Position: FAV

Favorable testimony for
Coal Dust Cleanup and Asthma Remediation Act
SB0882
Education, Energy, and Environment Committee
2/27/2025

Jamie DeMarco
Chesapeake Climate Action Network Action Fund
Lobbyist

On behalf of the Chesapeake Climate Action Network Action Fund, I urge a favorable amendments report on SB0882. The Coal Dust Cleanup and Asthma Remediation Act will bring hundreds of millions of dollars into Maryland without costing any Marylanders any money. Maryland transports coal, oil, and gas through our state, and takes on risk and pollution by doing so. It is fair for Maryland to require these fuels transported through our state to compensate us. Maryland already requires that oil traveling through Maryland by rail pay a small fee, and SB0882 simply extends the same policy to Coal.



In 2023 only 5% of the electricity generated in-state came from coal, less than solar which generated 6% of our instate electricity. Coal use in Maryland is expected to drop to 0% in the coming years as Brandon Shores and Wagner coal plants close and are replaced by

transmission lines. If Maryland is not using coal, then a fee on coal transported through Maryland will not be passed onto consumers in Maryland.

Enacting a small fee on coal being transported through Maryland will not decrease the amount of coal being transported through Maryland. In 2023 the Port of Baltimore exported 24 million metric tons of coal. In 2024, when the port of Baltimore was entirely closed for months, Baltimore still exported 22.4 million metric tons of coal, only a 6% decrease in exports. If the port being entirely closed for much of the year didn't drive our coal exporters to different ports then a nominal fee is certainly not going to drive them away.

There are two coal terminals in the port of Baltimore, one is owned by Consol Energy and the other is owned by CSX. Consol Energy owns coal mines and owns their coal terminal. From the perspective of Consol, they will always want to move coal through their own terminal. No company builds and owns their own transportation infrastructure and then pays another company to use different transportation infrastructure while the infrastructure they own sits idly by. The Baltimore Port is not one of many options they could go to depending on lowest cost availability, it is a huge financial sunk cost for them and part of their vertically integrated business model.

SB0882 will not cost Marylanders any money, will not harm business at the port, and will bring in hundreds of millions of dollars annually to Maryland that can be used to help the communities who live near coal trains, help the state meet our climate goals, and balance the budget.

CONTACT
Jamie DeMarco, Lobbyist
jamie@demarcoavocacy.com, 443-845-5601

Coal Dust Cleanup and Asthma Remediation Fund test

Uploaded by: Jennifer Mizrahi

Position: FAV

MIZRAHI
Family Charitable Fund

Testimony of Jennifer Laszlo Mizrahi
In Support of SB882 – Coal Transportation Fee and Fossil Fuel Mitigation Fund
Before the Senate Committee on Education, Energy, and the Environment

February 27, 2025 at 1 PM

Chair Feldman, Vice Chair Kagan, and Members of the Committee:

Thank you for the opportunity to testify in support of SB882, the Coal Dust Cleanup and Asthma Remediation Act.

My name is Jennifer Laszlo Mizrahi. I serve as a Maryland Climate Commissioner and was the longtime CEO of a Maryland-based disability organization. I live in Annapolis, where our neighborhood floods so often that we can no longer obtain flood insurance. Meanwhile, more than 600,000 Marylanders with disabilities and chronic health conditions are at disproportionate risk from pollution and extreme weather.

As a child, I was taught: if you break it, you bought it.

Today, as we face mounting climate costs and a major budget crisis, we should not put our financial shortfalls on the backs of people with disabilities and other vulnerable people when we have not yet done our best to make polluters pay.

The impacts of coal transportation and pollution are felt most acutely by our most vulnerable residents. Communities already struggling with chronic health issues, particularly in Baltimore City and Western Maryland, bear the brunt of these environmental hazards. Children with asthma, seniors with respiratory illnesses, and people with disabilities are at a heightened risk due to coal dust exposure and the broader climate-related consequences.

This legislation is about fairness. It ensures that those who contribute most to pollution take responsibility for the harm they cause. Marylanders should not have to choose between covering essential public health services and funding climate mitigation efforts—especially when a solution exists that shifts the burden to the industries responsible for environmental degradation.

I invite you to read my oped in Maryland Matters below and urge the committee to issue a **favorable report** on SB882 to protect our communities, improve public health, and ensure that those responsible for pollution contribute to the cost of fixing it.

Thank you for your time and consideration.

Mizrahi Family Charitable Fund Annapolis, MD 21403
JLM@LaszloStrategies.com +1 202 365 0787

MARYLAND MATTERS
https://marylandmatters.org/2025/01/27/trumps-climate-orders-and-marylands-budget-crisis-demand-bold-action-now/

Trump's climate orders and Maryland's budget crisis demand bold action now

President Donald "Drill Baby Drill" Trump's new executive orders doubling down on fossil fuels and slashing clean energy mandates have sent a dangerous message: America is moving backward in the fight to protect the people and planet we love.

But here in Maryland, we don't have to follow his lead. Instead, we can seize this moment to double down on progress and accountability, ensuring our state remains resilient in the face of the growing climate crisis. Given our budget crisis, we need to do it in a way that is fair, cost effective and will ensure our economy can thrive.

For Maryland, a state uniquely vulnerable to climate change impacts like rising seas, flooding and extreme heat, the stakes couldn't be higher. We cannot rely on Washington to safeguard our future. Maryland must act decisively to secure its climate resilience and economic stability — and we can start by making polluters pay for their lies and the damage they've caused.

Maryland's "Goldilocks" advantage is at risk

Maryland is a "Goldilocks State" — not too hot, not too cold, with a temperate climate that fosters economic growth and a high quality of life. We have the kind of inclusive values and excellent institutions of higher education and science that can make us attractive to people looking to relocate from other states. But the accelerating climate crisis is putting that balance at risk. Extreme weather events are becoming more frequent and severe, threatening lives, livelihoods, and infrastructure.

The costs are staggering. In Baltimore and St. Mary's County, millions are being spent to upgrade stormwater systems as rainfall intensifies. Annapolis has committed $84 million to protect against rising tides. Statewide, Maryland will need billions more to shield our communities and transition to clean energy. Meantime, we are facing a budget crisis.

So far, however, Maryland's budget is looking like it will rely on cuts to services and increases in fees and taxes to some Marylanders alone — leaving money on the table that morally should be ours.

We need measures that will hold corporate polluters accountable while delivering resources Maryland needs to combat climate change effectively. Without such forward-thinking policies, taxpayers will bear the brunt of lost services and mounting expenses, while fossil fuel companies rake in record profits.

The solution: three bills to make polluters pay

Maryland has a chance to lead where Washington is failing. Three pivotal bills could shift the financial burden of the climate crisis from taxpayers to the corporations that created it:

1. **The RENEW Act (HB128):** This bill establishes a fund for climate resilience projects, funded by fossil fuel companies. Similar bills have passed in Vermont and New York. Here at home, it could yield $9 billion to finance critical infrastructure improvements and clean energy initiatives.
2. **Climate Lawsuit Authority (HB340):** This legislation enables Maryland to hold fossil fuel companies accountable in court for their role in causing climate damage. Similar lawsuits have already achieved significant settlements in other states, redirecting billions of dollars toward climate solutions.
3. **Coal Fee Legislation:** Speaker Pro Tem Dana Stein's upcoming bill will place a fee on coal transportation in Maryland, directing approximately $300 million a year toward renewable energy projects and public health programs in communities affected by coal pollution.

Supercharging Maryland's economy

Fossil fuel companies claim that holding them accountable will hurt the economy, but the opposite is true. By investing in clean energy, climate resilience and public health, Maryland can create thousands of good-paying jobs in industries of the future. These investments will reduce energy costs, improve air quality and attract businesses and residents who value a sustainable, forward-thinking state.

Moreover, making polluters — not taxpayers — pay for the damages they caused will ease the financial burden on Maryland families. Rather than watching their tax dollars go to emergency repairs and cleanup, Marylanders can look forward to a future where corporate accountability funds prevention and innovation. It worked with tobacco and opioids, and should be done with fossil fuel companies as well.

Maryland has already made significant strides toward combating climate change, achieving a 30% reduction in greenhouse gas emissions since 2006. But we can't rest on our laurels. Trump's executive orders remind us that federal leadership cannot be counted on to protect our communities. The responsibility lies with us to secure a livable future.

By passing the RENEW Act, HB340 and the coal fee legislation, Maryland can set a national example of climate leadership and economic fairness. These bills are not just about holding polluters accountable — they're about protecting the places we call home, the people we love and the opportunities we want to preserve for future generations.

It's time to act boldly. Let's make polluters pay — and ensure Maryland remains a beacon of resilience and progress in an increasingly uncertain world.

Jennifer Laszlo Mizrahi *is co-founder of the Mizrahi Family Charitable Fund, which is a financial supporter of Maryland Matters. She serves on the Maryland Climate Commission and multiple nonprofit advisory boards. Contact: JLM@LaszloStrategies.com https://mizrahienterprises.com/charitable*

SB882- CASA FAV Testimony.pdf
Uploaded by: Jose Coronado Flores
Position: FAV

FAVORABLE Testimony for SB882
Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)
Senate - Education, Energy, and Environment Committee
Jose Coronado-Flores on Behalf of the CASA

February 27th, 2025

Dear Honorable Chair Feldman and Members of the Committee,

CASA is pleased to offer **favorable testimony in support of Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act).** CASA is the largest immigrant services and advocacy organization in Maryland, and in the Mid-Atlantic region, with a membership of over 60,000 Black and Latino immigrants and working families in Maryland.

Our members living in Bladensburg, Cheverly, Rockville, and in East, West, and South Baltimore are right on the path of the CSX train line. Beyond the cumulative impacts of many polluting facilities in these very communities, coal transport is one of the most impactful. When the massive CSX cars pass by our communities, they absolutely pollute the air and water around the tracks. Dust and other particulates radiate into the surrounding communities sometimes even leaving layers of coal dust on homes, cars, trees, and any exposed surfaces.

This occurs when kids are playing outside, families wait for public transportation, and pedestrians simply roam their neighborhoods. Many of our CASA members, leaders, and even organizers who live in the vicinity of these tracks have asthma or pulmonary issues in general. Our immigrant community has a unique perspective on the impacts of pollution, because many individuals were never sick or never had pulmonary ailments of any kind until moving into these communities.

The funds from this fee would bolster energy efficiency projects in the community, respond to the asthmatic populations that coal transportation has created, and focus on reduction of fossil fuels and fossil fuel infrastructure. Working-class communities poisoned daily by coal transportation deserve remediation and benefits from this moving source of pollution that does not take them into account. For these reasons, we urge a favorable report.

Jose Coronado-Flores
Research and Policy Analyst
jcoronado@wearecasa.org, 240-393-7840

Carbon SB 882 Gloria Fernandez .pdf
Uploaded by: Kristen Harbeson
Position: FAV

Committee: Education, Energy, and the Environment
Testimony on: SB 883 - Coal Clean Up and Asthma Mitigation Fund
Submitting: Gloria Fernandez
Position: Favorable
Hearing Date: February 27, 2025

Dear Chair and Committee Members,

My name is Gloria Fernández, and I have been a resident of Montgomery County for three years, in District 18. Today, I am writing to you in support of SB 883, Coal Clean Up and Asthma Mitigation Fund

This bill is very important to me, even though I am not directly affected. My Latino community, living around the coal terminal, is severely impacted, and this concerns me because they are my community. The transportation and storage of coal at the Baltimore port have caused serious health and stability issues for the communities exposed to coal dust, leaving a costly public health burden.

The consequences of this pollution include an increase in respiratory problems, such as asthma, leading to school and work absences. This affects children's learning and causes economic losses for businesses and industries due to worker absenteeism.

I sincerely appreciate your support for the children and youth of our beloved state of Maryland. I urge you to support this bill, as it will ensure cleaner air for our communities and create a fund for asthma mitigation programs.

Sincerely,

Gloria Fernández

Estimado Presidente Y Miembros del Comité,

Mi nombre es Gloria Fernández y he sido residente del condado de Montgomery durante tres años, en el Distrito 18. Hoy les escribo en apoyo del SB 883, Fondo para la Limpieza del Carbón y Mitigación del Asma.

Este proyecto de ley es muy importante para mí, aunque no me afecta directamente. Mi comunidad latina, que vive alrededor de la terminal de carbón, se ve gravemente afectada, y esto me preocupa porque son mi comunidad. El transporte y almacenamiento de carbón en el puerto de Baltimore han causado serios problemas de salud y estabilidad para las comunidades expuestas al polvo de carbón, dejando una costosa carga para la salud pública.

Las consecuencias de esta contaminación incluyen un aumento en los problemas respiratorios, como el asma, lo que genera ausencias escolares y laborales. Esto afecta el aprendizaje de los niños y causa pérdidas económicas para los negocios y las industrias debido al ausentismo de los trabajadores.

Aprecio sinceramente su apoyo a los niños y jóvenes de nuestro querido estado de Maryland. Les insto a que respalden este proyecto de ley, ya que garantizará un aire más limpio para nuestras comunidades y creará un fondo para programas de mitigación del asma.

Atentamente,
Gloria Fernández

Coal Clean Up Sandra Martinez Testimony .pdf
Uploaded by: Kristen Harbeson
Position: FAV

Committee: Education, Energy, and the Environment
Testimony on: SB 883 - Coal Clean Up and Asthma Mitigation Fund
Submitting: Sandra Martinez
Position: Favorable
Hearing Date:

Dear Chair and Members of the Committee,

My name is Sandra Martinez. I am a mother of four, and one of my children suffers from respiratory issues. For the past two years, my family and I have lived in Baltimore City's District 46, where we have experienced firsthand the harmful effects of coal dust in our community.

Every day, coal transport brings pollution into our neighborhoods, and we are forced to breathe in the toxic dust that seeps into our homes. My daughter, who has special needs and asthma, struggles even more because of the poor air quality. No parent should have to watch their child suffer simply because of where they live.

Communities like mine have been ignored for far too long when it comes to environmental justice. The Coal Clean-Up and Asthma Mitigation Fund is a necessary step toward addressing this ongoing health crisis. It's time for a real solution that prioritizes the well-being of families over pollution.

I urge you to vote in favor of SB 883 and stand with communities like mine that have experienced decades of environmental neglect. We deserve the right to breathe clean air.

Sincerely

Sandra Martinez,

Coal Clean Up Testimony Abigail Bautista .pdf
Uploaded by: Kristen Harbeson
Position: FAV

Committee: Education, Energy, and the Environment
Testimony on: SB 883 - Coal Clean Up and Asthma Mitigation Fund
Submitting: Abigail Bautista
Position: Favorable
Hearing Date:

Dear Chair and Committee Members,

My name is Abigail Bautista, and I am a high school student at Dundalk High School. I have lived my entire life in Baltimore City, in District 41. I am writing to express my strong support for **SB 883 The Coal Clean Up Asthma Mitigation Fund** , as this bill is deeply important to me and my community.

Communities along transportation routes experience higher rates of asthma and respiratory issues, and my little sister is one of the many children suffering from asthma. The coal dust she breathes every day severely affects her health, and families like mine have been left without the resources needed to combat this pollution.

I want to thank **Senator Attar** for taking the time to meet with us on **February 15, 2025**. It was encouraging to hear that the bills we discussed resonated with you, and I want to remind you of the commitment you made to support SB 883.

This bill is **crucial** because it will help reduce coal pollution and allocate $5 million annually for asthma treatment programs—a much-needed investment for communities that have long been forgotten in the fight against air pollution. I urge the entire Committee to vote in favor of SB 883 and help ensure cleaner air and better health for all.

Sincerely,
Abigail Bautista

Maryland LCV et al SUPPORT -SB 882_ Coal Dust Cle
Uploaded by: Kristen Harbeson
Position: FAV

MARYLAND LEAGUE OF CONSERVATION VOTERS

February 27, 2025

SUPPORT: SB882- Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)

Chair Feldman and Members of the Committees:

Maryland LCV and the undersigned organizations support the Coal Dust Cleanup and Asthma Remediation Act and thank Senator Rosapepe for his leadership on this issue.

In 2022, the Maryland General Assembly passed the Climate Solutions Now Act (CSNA), which set ambitious goals and put Maryland at the forefront of strong climate policy nationally. In December 2023, the Maryland Department of the Environment released the Climate Pollution Reduction Plan (Climate Plan), outlining the path to reach the goals set by the CSNA, and identified the cost to implement the plan could reach as much as $1 billion annually. SB882 implements one of the recommendations specified in the plan as a solution to help fund this plan[1] - a "Hazardous Substance Fee" that would be paid into the Strategic Energy Investment Fund to fund the investments outlined in the Climate Plan.

As outlined in this legislation, the modest fee on coal transported into the state replicates an existing fee for oil maintained by the Maryland Department of the Environment. While the proposed fee is modest ($13/short ton levied against the carrier, the estimated revenue for the state is estimated to surpass $250 million annually and be deposited into a newly created "Fossil Fuel Mitigation Fund." This significant revenue source takes an important step in ensuring that Maryland is able to achieve its climate goals and continue to set the standard nationally on climate policy - without a direct impact on tax-payers. An independent analysis by researchers at the University of Maryland Center for Environmental Science (attached), demonstrates that this fee is, on average, less than half of the additional cost to the coal companies than rerouting their business to ports in Virginia - the next closest export facility - limiting the financial threat to the Port of Baltimore's export terminal.

Additionally, this legislation directly supports communities most harmed by the pollution left behind by the coal transportation through the state. Since a similar bill was introduced last year, multiple studies (including from University of California - Davis and the Johns Hopkins University) have shown the dramatic increase in respiratory ailments in communities along the coal route. While this is especially true in Baltimore City, which has one of the highest asthma rates in the country, the impact of coal dust can be felt in communities along the coal route, including Frostburg, Hagerstown and other Western Maryland communities. The fund established by this bill ensures that at least 40% of the funding raised by this bill are directed to support the overburdened and underserved communities impacted by this pollution, with additional resources directed to support asthma treatment programs.

[1]https://mde.maryland.gov/programs/air/ClimateChange/Maryland%20Climate%20Reduction%20Plan/Maryland%27s%20Climate%20Pollution%20Reduction%20Plan%20-%20Final%20-%20Dec%2028%202023.pdf

Maryland LCV and the undersigned organizations urge a favorable report on this priority bill.

Maryland League of Conservation Voters
Audubon Mid Atlantic
BlueWater Baltimore
CASA Maryland
Cedar Lane Unitarian Universalist Environmental Justice Ministry
Chesapeake Bay Foundation
Clean Water Action
Climate Communications Coalition
Climate Justice Wing
Climate Reality Greater Maryland
Earthjustice
Elders Climate Action Maryland and HoCoMD Environmental Action
Maryland Legislative Coalition
Mobilize Frederick
Potomac Conservancy
Progressive Maryland
Rachel Carson Council
St. Vincent's Green Team
The Nature Conservancy
Third Act Maryland
Unitarian Universalist Legislative Ministry of Maryland
Zion Hill Baptist Church

Attachments:

- Report from University of Maryland Center for Environmental Science
- Testimony from Sandra Martinez, Baltimore City
- Testimony from Abigail Batista, Baltimore City
- Testimony from Gloria Fernandez, Baltimore City

Task1_Analysis of change in coal transportation co

Uploaded by: Kristen Harbeson

Position: FAV

Analysis of changes in coal transportation routes and costs in response to new fees for transit through Maryland

Task 1 Report

Submitted to:
Maryland League of Conservation Voters

Submitted by:
Lisa Wainger and Elizabeth Price
University of Maryland Center for Environmental Science
Chesapeake Biological Laboratory
Solomons, MD

February 24, 2025

University of Maryland
CENTER FOR ENVIRONMENTAL SCIENCE
CHESAPEAKE BIOLOGICAL LABORATORY

About the Authors

Dr. Lisa A. Wainger is a Research Professor of environmental economics and decision science at the University of Maryland Center for Environmental Science. She received her Ph.D. in environmental economics from the University of Maryland and has a B.S. in geology from the University of California. She has over 25 years of experience in applying economic tools to analyze the performance of environmental policy. She manages a research group that conducts applied economic analyses, risk assessments, and spatial analysis using geographic information systems (GIS) that are used in a variety of decision contexts in federal and state government, nonprofit organizations, and private business.

She has designed and led many economic analyses for the Maryland Port Administration (MPA) Dredged Material Management Program. In over 20 years of working with the MPA, she has gained deep knowledge of Port of Baltimore operations and logistics. Her group is currently working on analyzing optimal infrastructure investments for the Port under climate change uncertainty.

She and her team have done prior transportation cost analyses to inform oyster policies in Maryland and coal mine permitting in Appalachia. For the Oysterfutures project (https://oysterfutures.wordpress.com/), her team built a GIS database of the network of channels in the Chesapeake Bay to reflect watermen's likely routes from fishing ports to oyster beds and compared average travel cost to fish under alternative oyster policy scenarios (Hayes, 2023). Those policies included different configurations of oyster sanctuaries and other policies that could exclude use of some areas. In work conducted for the US EPA, her team developed a spatial transportation cost model to assess the effect of mountain top coal mining on recreational fishing benefits. This analysis used distributions of travel distances by outdoor recreators to spatially model potential lost recreational fishing use and economic value (stream by stream) (Mazzotta et al., 2015).

For a full list of published articles and technical reports by Lisa Wainger and team members see https://www.researchgate.net/profile/Lisa-Wainger/research

Ms. Elizabeth W. Price is a faculty research assistant at the University of Maryland Center for Environmental Science with advanced GIS and data analysis skills. She received an M.S. in conservation science from the University of Minnesota and her B.S. in Biology from the University of North Carolina. She has 22 years of experience conducting a variety of economic and spatial data analyses for the MPA and many other agencies, non-profit organizations and businesses. The projects conducted for the MPA cover a wide range of applied issues including the public benefits of environmental restoration, cost savings of innovative reuse of dredged material, and social impacts of port activities. She is experienced in many advanced types of data and GIS analysis, included statistical and spatial network analysis, and she assisted graduate student Hayes in the analysis for OysterFutures. She is known for highly accurate data analyses and her detailed investigation of the costs of stormwater project investments by Maryland counties and spending by multiple agencies on agricultural practices has been read more than 800 times (Price et al., 2021).

Abstract

This analysis examines potential changes in rail freight costs for coal mines if they were to alter their transportation routes and ports of export in response to a proposed fee on coal transiting through Maryland. A fee of $13 per ton of coal has been proposed in the Maryland Legislature for all coal transiting through Maryland for all uses except on farms. By comparing travel distances using a spatial network analysis of rail lines, we examined how rail freight distances and costs could change for Appalachian mines (outside of Maryland) that are currently exporting from the Port of Baltimore, if they switched to the nearest coal terminal at Norfolk or Hampton Roads, in the Port of Virginia. The alternative routes use routes that do not cross into Maryland, as would be needed to avoid the fee.

Key Findings

Based on available data and information, the vast majority of coal exported from the Port of Baltimore is produced in Northern Appalachian mines. For all these mines, diverting coal exports from the Port of Baltimore to the Port of Virginia appears to cost more than paying the proposed $13/ton fee. Across the 70 Northern Appalachian mines included in the network analysis, the average increase in transportation distance by rail, when avoiding Maryland, was 597 miles, with an estimated average cost increase of $27.41 per ton delivered, which is more than double the cost of the proposed fee. The median increased cost per mine, after taking into account the amount of production per mine, is about $1.0 million. The 17 mines at the low end of the cost distribution have increased production-weighted transportation costs that range from $1,600 - $100,000. At the high end of the distribution, 8 mines have increased transportation costs that range from $3.3 million - $53.0 million (see Figure 9).

Central Appalachian mines were estimated to spend more on transportation if they send coal to the Port of Baltimore, compared to sending coal to the Port of Virginia under current conditions. For this reason, experts expect that no or only small volumes of coal from this region are exported through Baltimore. Central Appalachian mines using the Port of Baltimore appear to always save on transportation costs by switching from Baltimore to coal terminals at Hampton Roads or Norfolk. Therefore, these mines would be the most likely to switch ports if a transportation fee is imposed. The cost savings per Central Appalachian mine range from $13.66 to $16.69 per ton delivered, with the fee.

Transportation costs for Northern Appalachian mines appear to increase substantially with the fee, which has some potential to reduce coal exports from Baltimore. Currently, the 10-year average cost to transport domestically used coal to Maryland is $25.36 per ton. With the new fee, this cost would rise to $38.36 per ton, representing a 51% increase. The actual freight cost is uncertain since it varies by volume shipped and distance and this average cost does not directly measure transport costs of coal for export. Nonetheless, a $13/ton increase is about 18% of the $70/ton selling price that experts estimate is likely the average current price of coal exported from Baltimore, which could cause mines to need to raise the price of coal. If Northern Appalachian mines cannot offer coal on the global marketplace at competitive prices, exports from the Port of Baltimore could decline.

Purpose and Scope

In this analysis we examine potential changes in rail freight costs for coal mines, if they were to alter their transportation routes and ports of export, in response to a proposed fee on coal transiting through Maryland. A fee of $13 per ton has been proposed in the Maryland Legislature (HB1088/SB882) for all coal transiting through Maryland for all uses except on farms. The analysis examines the change in rail freight distances and

costs for Appalachian mines outside of Maryland that are currently exporting out of the Port of Baltimore, to the nearest alternative coal terminal in Norfolk or Hampton Roads. The alternative routes use rail lines that do not cross into Maryland, as would be needed to avoid the fee. This analysis only examines the cost of switching ports of export and does not examine costs to domestic coal users or quantify other economic outcomes that could result from increasing the transportation costs of coal.

Background

The Port of Baltimore exported an estimated 28.1 million short tons of coal in 2023 through its two coal-loading terminals and is projected to export around 20 million short tons in 2024 (US Energy Information Administration, 2024d). This 2024 projection is consistent with recent annual averages, and the higher volumes in 2023 represented a surge due to increased overseas demand. The majority of coal exported from Baltimore (70% by volume) is thermal (bituminous) coal destined for India (Utomi & Scott, 2024) and used in brick kilns (CoalNewswire, 2024). The Netherlands, Germany and Belgium are the second-largest market for North Appalachian coal (CoalNewswire, 2024) and multiple other countries receive modest volumes of coal exports.

The shutdown of the Port of Baltimore in 2024 due to the Key Bridge collapse provides insights into the ability of mines and ports to substitute coal export terminals. According to US International Trade Commission researchers who examined conditions during the Port of Baltimore shutdown (Utomi & Scott, 2024), "…much of the U.S. coal shipments that would have gone through Baltimore have been diverted to the port terminals in Norfolk, Virginia, significantly increasing (181 percent relative to March 2024) this district's exports of thermal coal." However, coal export volumes out of Baltimore recovered 2 months after the bridge collapse (US Energy Information Administration, 2024d), suggesting coal mines ultimately preferred to return to Baltimore, rather than switch ports. CONSOL Energy exports substantial coal out of Baltimore from its own and other companies' mines and owns one of the two main coal terminals at the port. A CONSOL official said that diverting shipments to the Port of Virginia, which has terminals in Norfolk and Hampton Roads, added about $10/ton to coal transportation costs and that the company was reducing capital expenditures and taking other measures to control costs during that time (Mining Connection, 2024).

The Port of Virginia was able to support a temporary increase in export capacity during the port closure and historic Hampton Roads export data (1993-2023) suggests that the coal piers are operating below historic maximum capacity (US Coal Exports, 2024). Further, the recent merger of Arch and CONSOL (to Core Natural Resources) increases the company's capacity since the merged group will own the CONSOL terminal in Baltimore and be a co-owner of the DTA terminal in Hampton Roads. In terms of global markets, the US is a major supplier of coal to India (35% in 2023) and during the port shutdown, India offset the lower coal imports from the U.S. with coal from South Africa (Utomi & Scott, 2024)**.** The Gulf coast ports may also be potential alternative ports since, according to a coal trade publication, some North Appalachian coal is barged south to the Port of New Orleans when the terminals at Baltimore and Hampton Roads become congested (CoalNewswire, 2024).

The coal that is exported from Baltimore largely originates from Northern Appalachia with the primary coal-producing states being Pennsylvania, West Virginia (northern), and Maryland (Utomi & Scott, 2024). Another state in Northern Appalachia, Ohio, has historically exported some coal through Baltimore (Campbell, 2017) but is not reported to be a major source of export coal moving through Baltimore at present. Central Pennsylvania mines produce anthracite coal that largely serves domestic uses (Burton, pers comm). Even though the Port of Virginia handles most of the Central Appalachian coal, some coal exported in Baltimore

has historically originated from that region. Central Appalachia includes eastern Kentucky, Virginia, southern West Virginia, and multiple counties of Tennessee. Historically, coal production has been concentrated in southwestern Pennsylvania, southern West Virginia and eastern Kentucky but production in Northern Appalachia has exceeded that of Central Appalachia since 2014 (Appalachia Regional Commission, 2024).

Methods

Study Area

We identified two study areas for this analysis. The primary area of interest was the Northern Appalachian Coal Region, defined by the US Energy Information Administration (EIA) as Maryland, Ohio, Pennsylvania and northern West Virginia (US Energy Information Administration, 2025b) (Figure 1). Maryland mines were excluded from the analysis because they would not be able to avoid the fee and so would not have the opportunity to change transport routes. The anthracite region of Pennsylvania (Figure 1) was also excluded based on interviews conducted prior to the analysis that suggested that this coal was predominantly used domestically rather than exported (Burton, pers comm). The Ohio, western Pennsylvania and northern West Virginia mines identified for the analysis included 99 underground and surface mines that produced a total of about 86.8 million short-tons of coal in 2022.

The secondary study area was the Central Appalachian Coal Region which includes Eastern Kentucky, Virginia, southern West Virginia, and 11 counties in northern Tennessee (EIA 2025) (Figure 1). Coal transportation exports that were consulted for this project suggested that while some coal produced in this region may be exported through the Port of Baltimore, it is likely a very small volume compared to volumes from the Northern Appalachian region, due to the greater transport distance. However, to fully understand the potential implications of the effects of the transportation fee on the Port Baltimore, this region was included with a less detailed analysis. Although this region contained 283 mines, the total 2022 production was lower than the Northern Appalachian region at 60.3 million short-tons.

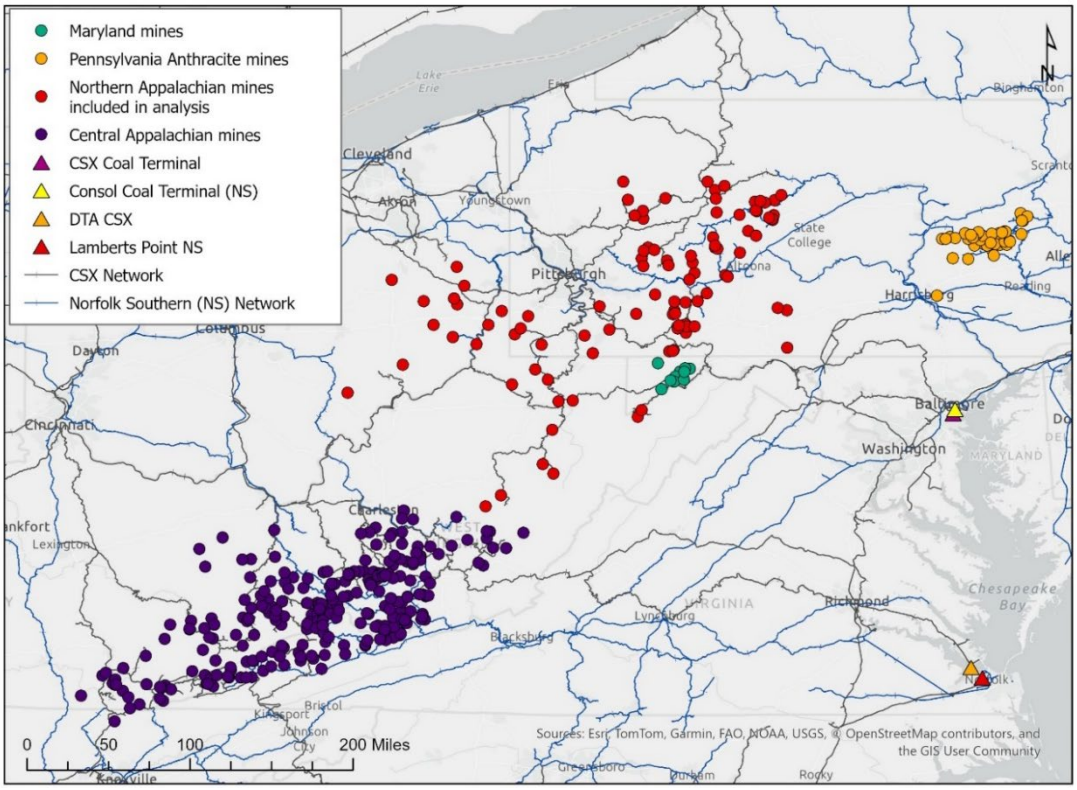


Figure 1. Study area map showing Northern and Central Appalachia mines, rail lines and coal terminal locations

Network Analysis

Northern Appalachian Region

We estimated the effects of the coal transport fee on coal exports through the Port of Baltimore by conducting a network analysis using ArcGIS Pro (version 3.4.2) Geographic Information System (GIS). The network analysis selects the shortest distance from mine origin sites to coal terminal destination points, along rail lines. We developed distinct rail networks for CSX and Norfolk Southern (NS) railroads because these rail lines are largely non-overlapping.

We estimated distances from mines to terminals for two scenarios to estimate a change in travel distance and rail freight costs, if mining companies avoid sending coal for export through Maryland. We ran each scenario two times: once for the CSX network and once for the NS network. In the first scenario, the analysis identified the shortest distance along the network from each mine to a coal export terminal in Baltimore. In the second scenario, the analysis identified the shortest distance along each network from each mine to an export terminal in Norfolk, when the rail lines in Maryland were not available for routing. The difference between the two scenarios was used to generate a change in shipping costs (per mine and in aggregate) to divert coal from Baltimore to Virginia terminals.

Many mines are directly on rail networks and which rail line services the mine generally determines the most cost-effective route to the export port. For Northern Appalachia, only mines that were within 10 km of a rail line were included in the network analysis so that we could identify the likely rail line used. Applying this filter resulted in 70 mines being added to the network analysis of 99 mines in the region. Distance and costs to

move coal to the rail line were not included since these costs would apply to both scenarios and would not affect the change in cost from diverting coal.

Spatial (georeferenced) data on rail lines were available (US Department of Transportation Bureau of Transportation Statistics, 2025). The database attributes of rail segment ownership and trackage rights were used to distinguish rail used by CSX and NS. We also captured Class II, Class III and shortline railroad segments and appended them to each network by screening other lines in the region for affiliation with each company. For example, the Buffalo Pittsburgh RR is a Class II railroad with CSX and NS interchanges, so its segments were added to each rail network.[1]

Coal mines serve as the origins in the network analysis. Spatial coal mine data from the EIA contains information on mine location, whether each mine is underground or surface, and how much coal (short tons) it produced in 2022 (EIA 2024b).

Coal terminals at the Port of Baltimore and the Port of Virginia were the destinations in the network analysis. There are at least two coal terminals each at the Port of Baltimore and Port of Virginia, and CSX and NS serve one or both terminals at each port (Table 1). Coal terminal locations were identified through internet research and using aerial imagery base maps. A destination point for the network analysis was created near the coal loading operation. The CSX Coal Terminal in Baltimore is served by the CSX rail network. Both CSX and NS rail networks serve the CONSOL terminal in Baltimore, however, this terminal was used as the destination for the NS network analysis only because the CSX terminal already represented the destination for the CSX network.[2] At the Port of Virginia, the Dominion Terminal Associates (DTA) terminal in Hampton Roads is served by the CSX network, and the coal terminal at Lamberts Point in Norfolk is on the NS network.

Table 1. Origins (mines) and destinations (coal terminals) used in network analysis

Rail Network	Origins	Destination (Baltimore - baseline)	Destination (Port of VA – with legislation)
CSX	Coal mines in western PA and northern WV	CSX Terminal	DTA Terminal, Hampton Roads
NS		CONSOL Terminal	Lamberts Point, Norfolk

Using the GIS software, we created four Origin-Destination (O-D) Cost Matrices to analyze the 2 scenarios described above on each rail network (Table 2). When the destination was a terminal at the Port of Virginia, the state of Maryland was included as a barrier in the analysis, so all routes to that port avoided any rail lines within Maryland.

Table 2. Origins, destination and networks used in network analysis

Origin	Scenario	Rail Network	Travel Barrier	Destination
Coal mines in OH, western PA and northern WV	1a	CSX	None	CSX Terminal, Baltimore
	2a	CSX	Maryland	DTA Terminal, Hampton Roads
	1b	NS	None	CONSOL Terminal, Baltimore
	2b	NA	Maryland	Lamberts Point terminal, Norfolk

[1] We did not constrain the analysis to force the train routing through specific interchanges, so it is possible that measured distances could be underestimates in some cases.

[2] Some mines on the CSX network may transport coal to the CONSOL terminal rather than the CSX terminal. In the context of this analysis, using only the CSX terminal with the CSX network may slightly change the actual distance traveled to Baltimore from these mines, but this approach will have little effect on the overall analysis results.

The distance data calculated using the network analysis were exported to an Access database for further analysis. The sets of O-D distance measurements were used to calculate the difference in distance when Norfolk was the destination rather than Baltimore (Eqn 1). A subset of mines was served by both rail networks, and for those mines, the smaller increase in distance was used in analysis.

$$\begin{aligned} &Change\ in\ Distance\ (mi) \\ &\quad = Distance\ from\ mine\ to\ Port\ of\ Virginia\ (mi) \\ &\quad - Distance\ from\ mine\ to\ Port\ of\ Baltimore\ (mi) \end{aligned}$$

Equation 1

The increase in costs per short ton was calculated by applying an estimate of freight costs of $0.0459 per ton-mile (US Department of Transportation Bureau of Transportation Statistics, 2023) to the increased distance estimates (Eqn. 2). This value represents the average freight revenue per ton-mile for Class I rail for 2021, the most recent year for which data are available. Although the value represents revenue, interviews with coal experts suggested this is a reasonable estimate to use for coal transport costs (Burton, pers comm) although it is a national average across all freight types and will not reflect recent increases in costs (US Department of Transportation Bureau of Transportation Statistics, 2023).

$$Change\ in\ costs\ \left(\frac{\$}{short\ ton}\right) = Change\ in\ distance\ (mi) \times Freight\ costs\ \left(\frac{\$}{short\ ton\text{-}mile}\right)$$

Equation 2

To estimate how the per ton fee would affect mines with differing production levels, we first estimated the volume of coal that was likely to be exported from any given mine using a simple ratio. In 2022, about 20M short-tons of coal were exported through the Port of Baltimore (US Energy Information Administration, 2024e)and this volume is similar to projections for 2024. The Northern Appalachian mines included in the network analysis produced about 55.6M total short-tons in 2022 (US Energy Information Administration, 2024c). Assuming all exported coal came from this region, the proportion of mined coal that was exported through Baltimore was 36.5%. We applied this percentage to the production of each mine on the network to estimate the coal per mine transported for export (Eqn 3).

$$\begin{aligned} &Exported\ coal\ produced\ per\ mine\ in\ 2022\ (short\ tons) \\ &\quad = 2022\ production\ per\ mine\ (short\ tons)\ \times percent\ of\ production\ exported \end{aligned}$$

Equation 3

Finally, we estimated the total additional transportation costs per mine based on the increase in distance (from the Port of Baltimore to the Port of Virginia), weighted by the estimated production bound for export (Eqn 4).

$$\begin{aligned} &Total\ additional\ costs\ (\$) \\ &\quad = Change\ in\ costs\ \left(\frac{\$}{short\ ton}\right) \times Exported\ coal\ produced\ per\ mine\ (short\ tons) \end{aligned}$$

Equation 4

Central Appalachian Region

Findings from our research and interviews indicated that a small proportion of coal exported through the Port of Baltimore comes from the Central Appalachian coal-producing region. The mine origins of coal being

exported in Baltimore are not publicly available but multiple sources suggest that the vast majority of coal exported through Baltimore comes from the Northern Appalachian region (US Energy Information Administration, 2024e; Utomi & Scott, 2024; Church, pers. comm.). Consequently, a limited detail network analysis was conducted for this region. Rather than calculating the distance from each of the 283 mines to each port on each network, a subset of mines was chosen to represent the distribution of distances from mines in this region to port and including at least two mines each from Kentucky, Virginia and southern West Virginia.

The same methods described for the Northern Appalachian region were applied in the Central Appalachian region. Two scenarios were run for each rail network. The first scenario calculated the shortest route from each mine to the Port of Baltimore along each rail network, and the second scenario calculated the shortest route from each mine to the Port of Virginia along each rail network. The rail networks in the state of Maryland were not available for routing when the destination was the Port of Virginia. For each mine, the difference in distance between the two scenarios was calculated according to Equation 1.

Results

Northern Appalachian Region

In the coal producing region that includes Ohio, western Pennsylvania and northern West Virginia, there were 99 mines in 2022. Using the 10 km search tolerance, the network analysis captured 70 of these mines near one or both rail networks (Table 3).

Table 3. Mines per rail line captured in the Northern Appalachian network analysis

Network	OH mines	Western PA mines	Northern WV mines	Total
CSX only	2	12	9	23
NS only	1	24	0	25
Both CSX and NS	0	17	5	22
Neither CSX nor NS	7	18	4	29
Total	*10*	*71*	*18*	*99*

Transporting coal from the Northern Appalachian region to Norfolk while avoiding the state of Maryland substantially increases the transport distances. To illustrate the difference in routes, we show the alternative routes selected by the network analysis for a representative coal mine in southwestern Pennsylvania that is near both rail networks (Figure 2 and Figure 3). The figures show the shortest routes from the same coal mine to the Port of Baltimore and to the Port of Virginia, when avoiding Maryland, for each rail network. These figures also demonstrate a finding that while the distance to the Port of Virginia is greater than the distance to the Port of Baltimore on both rail networks, the increase in distance on the NS rail network is greater than on the CSX network, due to the larger detour into Ohio (Figure 3). For the 22 mines in close proximity to both the CSX and the NS rail networks, the increase in miles was always smaller on the CSX network, so that network was chosen to create the aggregate analysis of transportation costs.

Figure 2. Routes from example Pennsylvania mine to the Port of Baltimore (orange line) and the Port of Virginia avoiding Maryland (blue line) on the CSX network. The route that avoids Maryland is 462 miles longer.

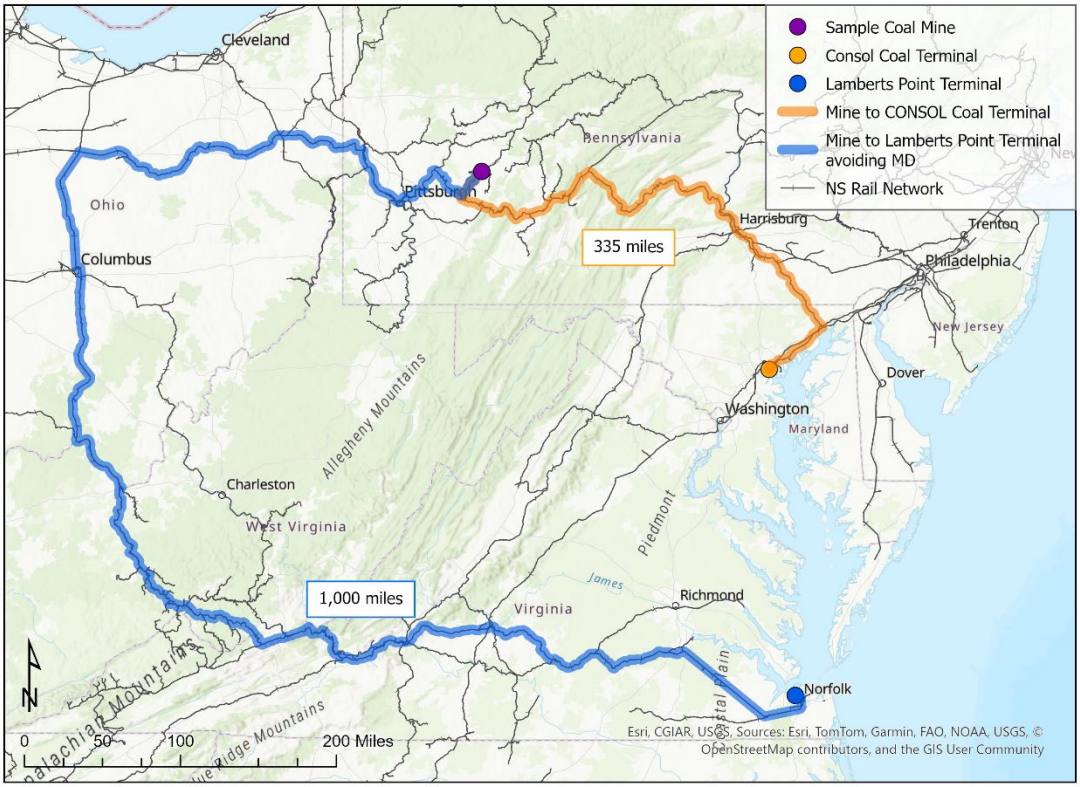


Figure 3. Routes from example coal mine to the Port of Baltimore (orange line) and the Port of Virginia avoiding Maryland (blue line) on the NS rail network. The route that avoids Maryland is 665 miles longer.

For the 70 mines in the Northern Appalachian network analysis, the increase in distance to the Port of Virginia relative to the Port of Baltimore (see Equation 1) ranged from 309 to 828 miles with an average of 597 miles (Figure 4). The increase in distance is most pronounced for mines along the eastern edge of the Northern Appalachian region (Figure 5). Some of these mines are just north of the Maryland-Pennsylvania border and are among the closest mines to the Port of Baltimore. For mines along the northern and western edges of the region, which are farthest from the Port of Baltimore, transport to the Port of Virginia still adds hundreds of additional miles, but represents a less dramatic increase than for mines closest to Baltimore via rail.

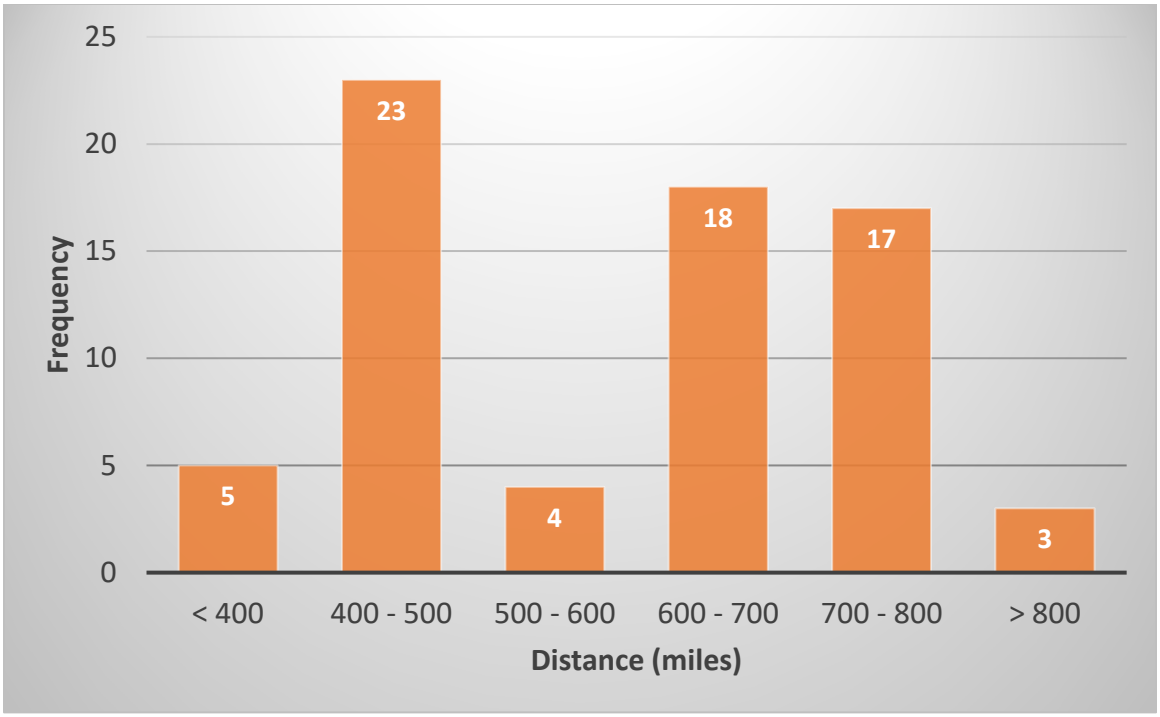


Figure 4. Frequency histogram of change in distance from mine (n = 70) to export terminal when the destination port is switched from Baltimore to Virginia

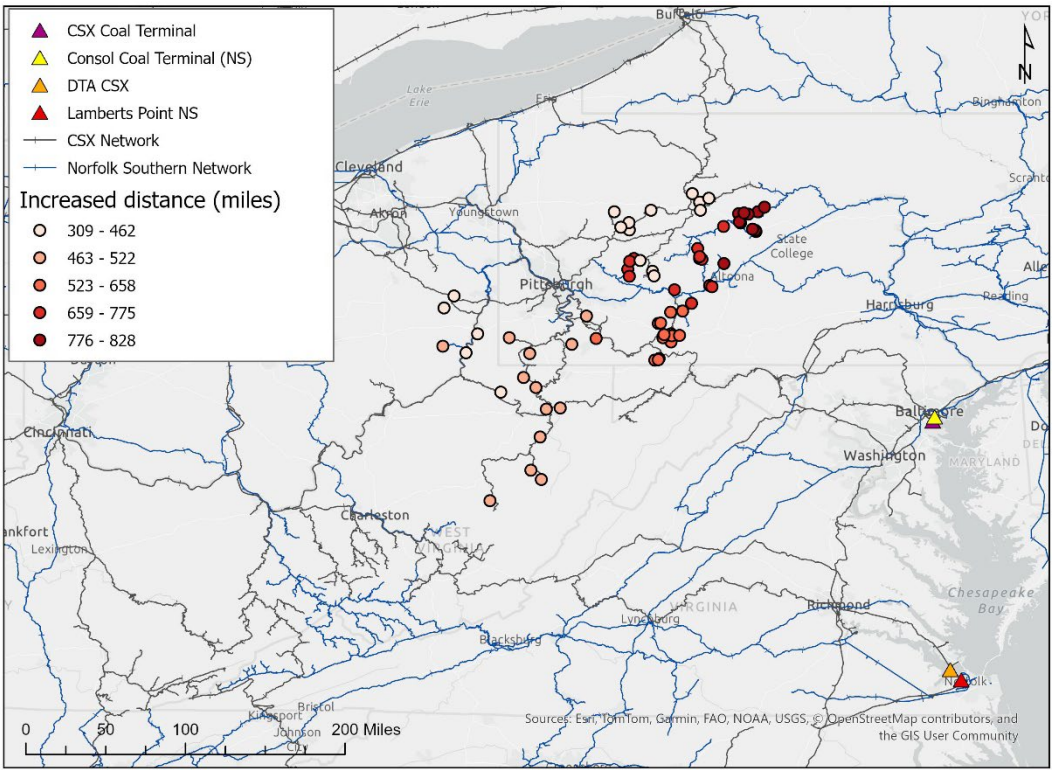


Figure 5. Geographic distribution of changes in transport distance from mine to export terminal when the destination port is switched from Baltimore to Virginia.

The subset of mines included in the network analysis are shown (n = 70) and data are displayed in quintiles.

Increased transport distance has a substantial impact on transport costs per ton. Applying the estimated cost per ton-mile (see Equation 2), increased transportation costs per mine range from $14.19 - $38.00 per ton, with an average increase of $27.41 (Figure 6). For every mine in the network analysis, the increased transport costs are greater than the proposed transport fee of $13 per ton. Since the same cost per ton-mile were applied to all mines, the increased cost per short ton follows the same geographic pattern as the increase in distance (Figure 7). The mines with the lowest increase in costs per short ton are located along the northern and western edges of the Northern Appalachian region, and the mines with the largest increase in costs per short ton are in the northeast portion of the region.

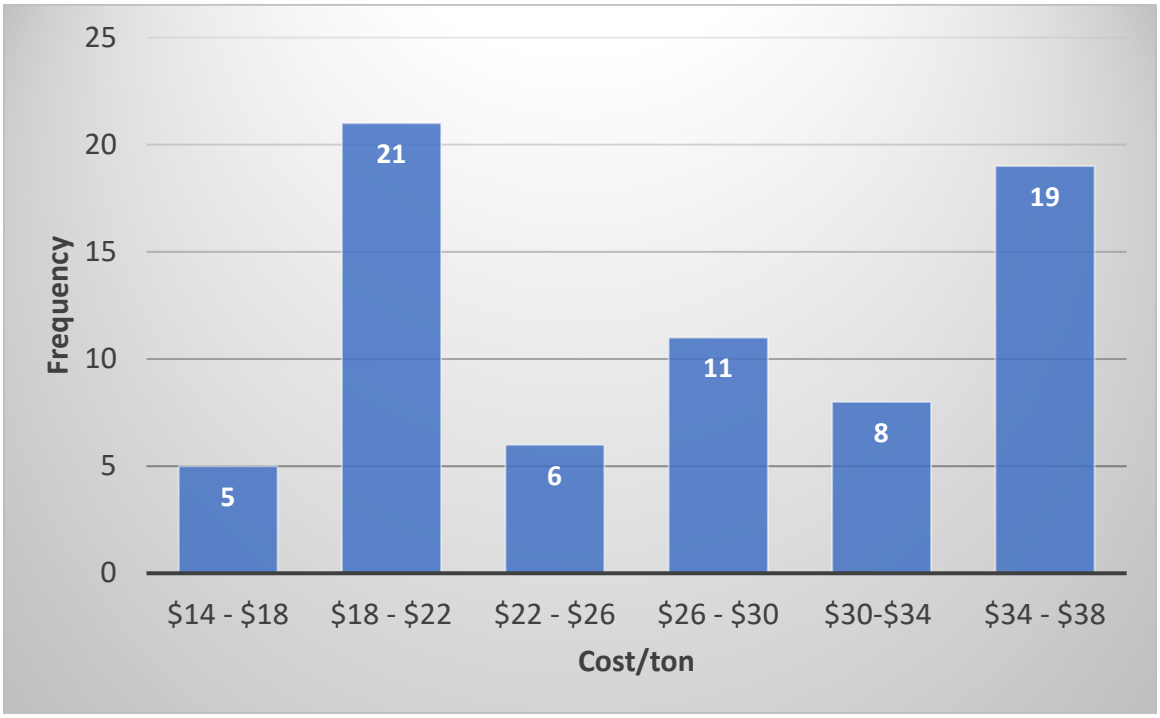


Figure 6. Frequency histogram of change in transport costs per ton per mine for Northern Appalachia (n = 70) due to increased distance when the destination port is switched from Baltimore to Virginia

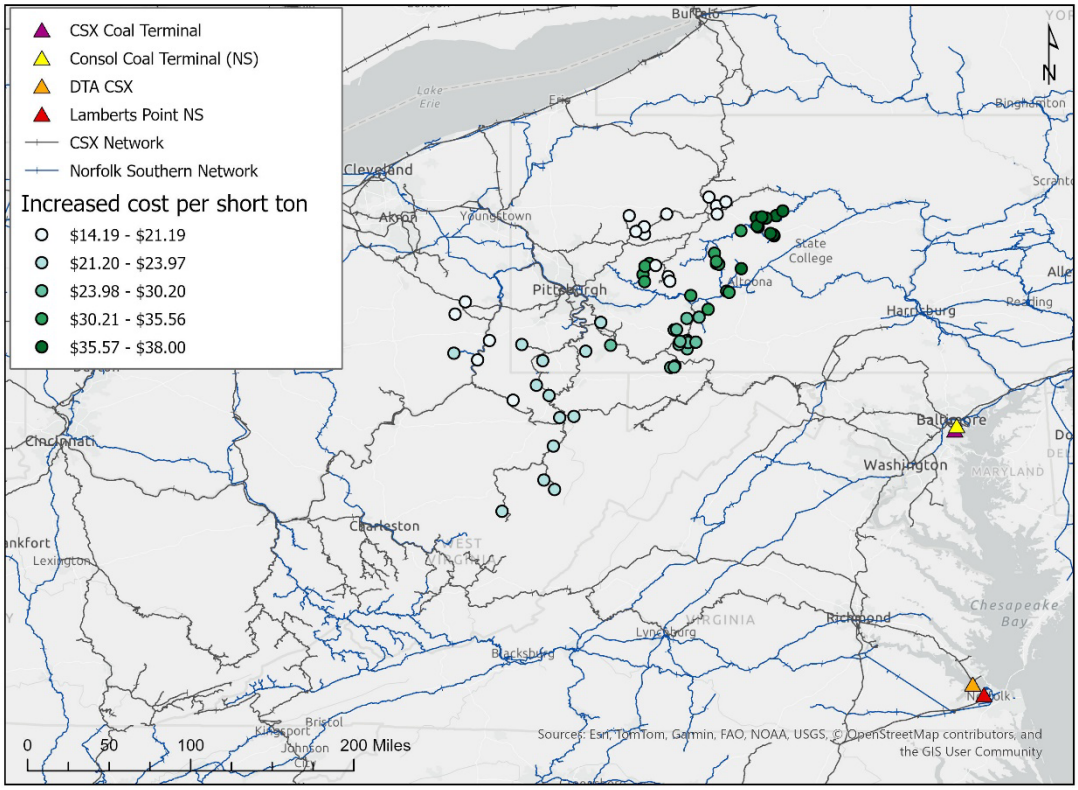


Figure 7. Geographic distribution of change in transport costs per ton per mine due to increased transport distance when the destination port is switched from Baltimore to Virginia.
The subset of mines included in the network analysis are shown (n = 70) and data are displayed in quintiles.

The 2022 coal production per mine is highly heterogeneous across the Northern Appalachian region. The mines with the greatest production were generally located in the region comprising the panhandle of West Virginia and the southwest corner of Pennsylvania (Figure 8). Using the amount of production for export to weight the transport costs per ton and per mine (Equations 3 and 4) generated a range of transportation cost increases of $1,600 - $53 Million from switching from Baltimore to Virginia ports (Figure 9). The $1,600 difference was for a mine with low production of a few hundred short tons of coal, while the $53 million applied to a mine with total production of 6.8 million short tons. The production-weighted cost data are quite skewed (Figure 9), so median value is reported. The median increase in production-weighted transportation costs was about $1.0 million. The 17 mines at the low end of the distribution have increased production-weighted transportation costs that range from $1,600 - $100,000 (Figure 9). At the high end of the distribution, 8 mines have increased transportation costs that range from $3.3 million - $53.0 million.

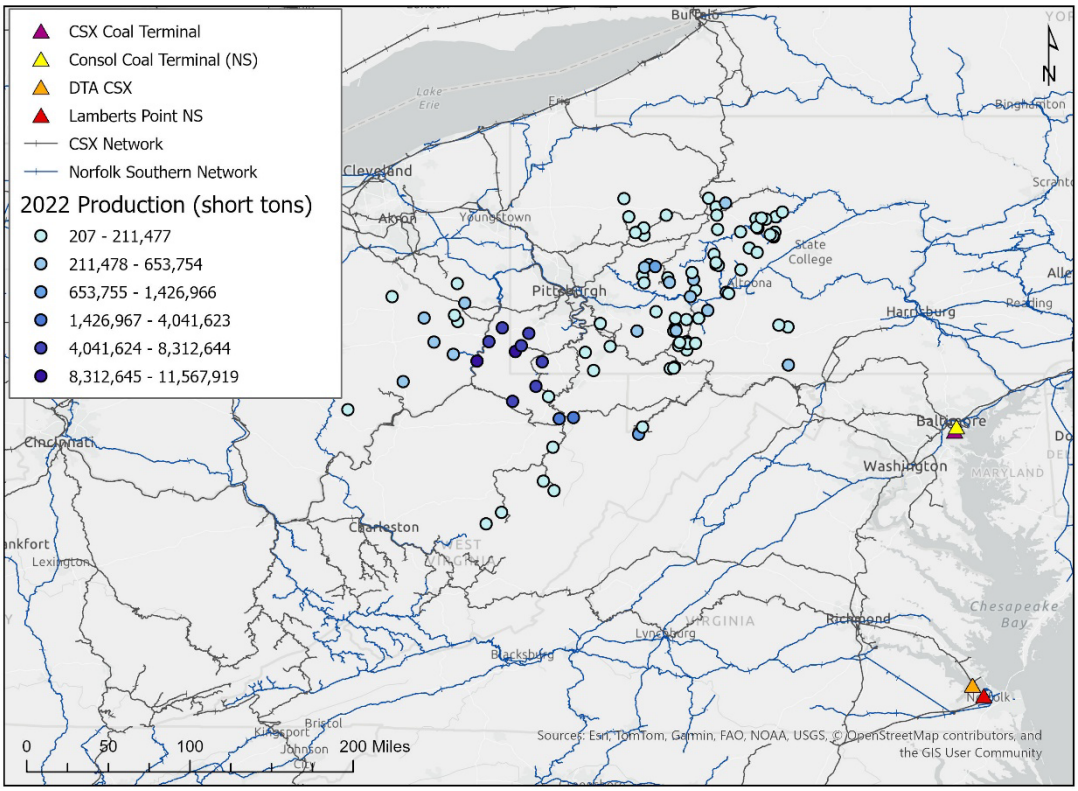


Figure 8. Coal production in 2022 (short tons) for mines in Northern Appalachian coal producing region. All mines in the region are shown (n = 99) and data are displayed using Jenks natural breaks.

Figure 9. Increase in total estimated transportation costs per mine (n = 70) when the destination port is switched from Baltimore to Virginia.

As expected, the mines with the highest production had the largest additional transportation costs, due to moving a large volume of coal for export. The area northeast of Pittsburgh also had relatively high additional costs due to the combination of roughly average production and average to above average increases in transportation (Figure 10). For mines in this area that are near the NS network but not the CSX network, the increase in transport distance can be hundreds of miles greater than nearby mines that are on the CSX network because transporting coal to Virginia on the NS network requires a longer detour.

Actual rail transportation costs vary by volume and by distance. As a potential check on the cost estimate used in this analysis, we derived a cost per ton-mile estimate from statements made by CONSOL during the Port of Baltimore closure. They reported a $10/ton in additional transportation costs to divert coal to Norfolk, using all available rail lines. The distance from CONSOL's Pennsylvania Mine Complex to the export terminal at Hampton Roads is 169 miles longer than the route to the CONSOL terminal in Baltimore, suggesting that CONSOL's transportation rate was $0.059 per ton-mile. The transport of coal from the Pennsylvania Mine Complex to the Hampton Roads terminal on a route that avoids Maryland would be about 500 miles longer than transporting directly to the Port of Baltimore. Therefore, at this rate, transport costs would increase by about $30/ton for mines in southwestern Pennsylvania.

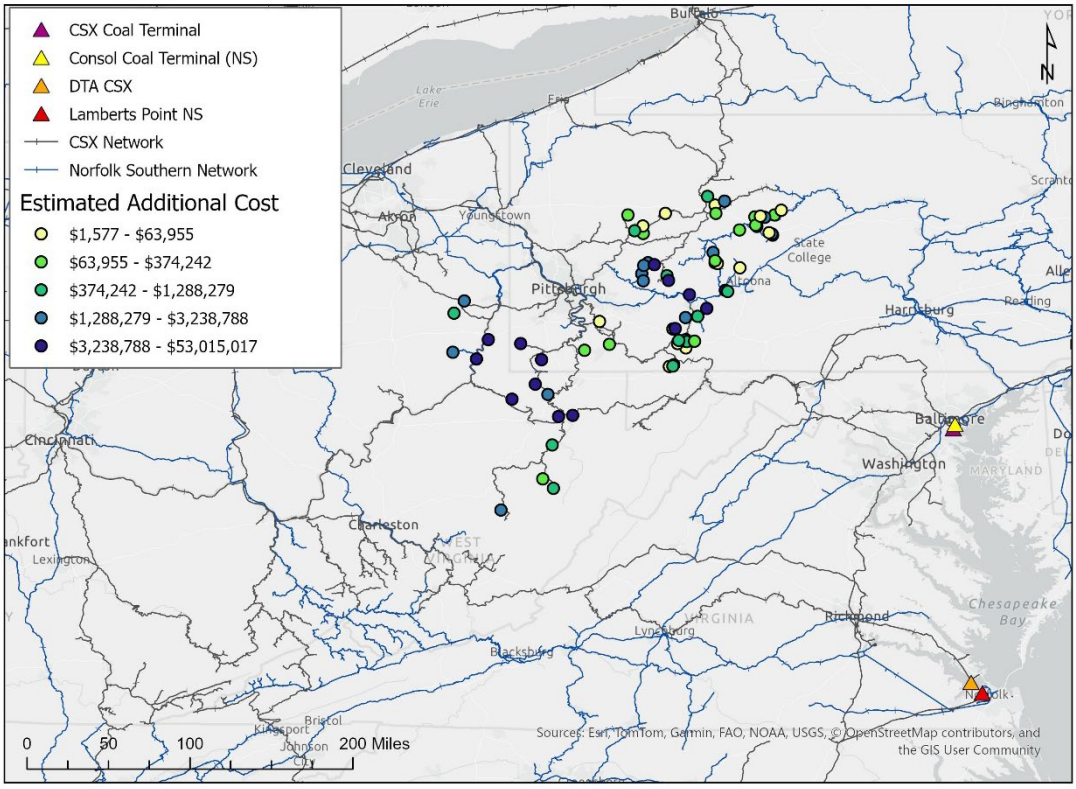


Figure 10. Estimated additional transportation costs where increase in distance is weighted by estimated coal production bound for export.
Mines included in network analysis shown (n = 70), and data are displayed in quintiles.

Central Appalachian Region

A total of 11 mines were selected for the Central Appalachian network analysis. The mines are distributed across the region in three states and along both rail networks (Table 4 and Figure 11).

Table 4. Mines per rail line captured in the Central Appalachian network analysis

Network	Eastern KY mines	VA mines	Southern WV mines	Total
CSX only	2	1	1	4
NS only	1	1	1	3
Both CSX and NS	1	1	2	4
Total	*4*	*3*	*4*	*11*

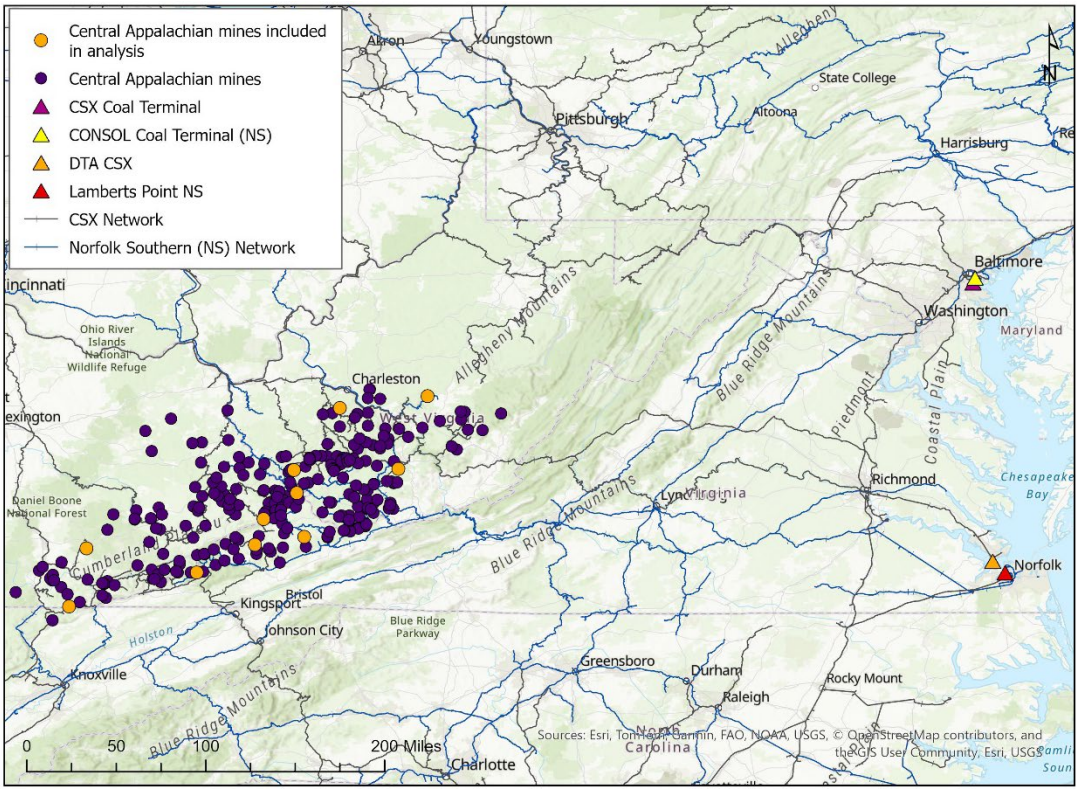


Figure 11. Mines included in the Central Appalachian network analysis

For all mines in the Central Appalachian analysis, the coal terminals at the Port of Virginia are always closer than the coal terminals at the Port of Baltimore, but the differences in distance are smaller than for Northern Appalachian mines. The seven mines near the NS network in this analysis are distributed throughout the Central Appalachian region, and the transportation of coal from these mines to the Lamberts Point terminal in Norfolk rather than the CONSOL terminal at the Port of Baltimore decreases travel distance by about 14 miles (Table 5). The difference in distance for all mine to switch is the same because of the limited routing options, even though total travel distance differs. For mines on the CSX network, transporting coal to the DTA terminal in Hampton Roads is about 33 to 80 miles shorter than transporting coal to the CSX terminal at the Port of Baltimore.

Mines that switch from the Port of Baltimore to the Port of Virginia would see modest transportation cost savings due to the relatively small reduction in transport distance. For the mines on the NS rail line in the Central Appalachian network analysis, transporting to Norfolk instead of Baltimore would result in freight transport costs that are $0.66 cheaper per short ton delivered without the fee or $13.66 with the fee (see Equation 2). For the Central Appalachian network analysis mines on the CSX network, the change from

Baltimore to Hampton Roads for export would result in transportation cost savings of $1.51 - $3.69 per short ton delivered, without the fee. With the $13 fee, the savings would be $14.51 - $16.69.

Table 5. Change in distance from Baltimore to Port of Virginia

Mine	CSX Network increased distance (mi)	NS Network increased distance (mi)
Eastern KY #1	-33	
Eastern KY #2	-76	
Eastern KY #3		-14
Eastern KY #4	-48	-14
Virginia #1	-33	
Virginia #2		-14
Virginia #3	-80	-14
Southern WV #1	-33	
Southern WV #2		-14
Southern WV #3	-33	-14
Southern WV #4	-33	-14

Discussion

The proposed fee on coal transportation in Maryland raises the cost of transportation by less than the additional transportation cost for Northern Appalachian mines to switch from Baltimore to coal terminals in Virginia. Therefore, the fee does not appear to be sufficient to directly divert substantial coal export volume from the Port of Baltimore, all else equal. CONSOL Energy, which produces much of the coal exported through Baltimore, owns and operates one of the two main coal terminals in Baltimore. This ownership provides an incentive to keep using the Port of Baltimore. Based on expert input (M. Burton, pers comm), we did not consider terminal fees in the calculation of changing costs, because these costs are modest compared to the transportation fee. Also, since CONSOL Energy has recently merged with Arch Resources, it was not clear that the terminal fee would increase if CONSOL mines switched to the Hampton Roads terminal since this CSX terminal is co-owned by Arch Resources.

Central Appalachian mines would always save transportation costs by switching from Baltimore to coal terminals at Hampton Roads or Norfolk. As a result, they would be the most likely to switch ports in the event of a transportation fee being imposed. We were unable to find data on the amount of coal moving from Central Appalachia to the Port of Baltimore for export, although the EIA reports that Kentucky supplies a small amount of coal to the electric power sector in Maryland (US Energy Information Administration, 2024a).

However, a factor that could still affect export volumes is that the proposed fee per-ton appears to roughly double the coal transport fee to Maryland. According to the most recent EIA data (US Energy Information Administration, 2025a), the average coal rail transport fee from origins in Northern Appalachia to electric power sector destinations in Maryland (2011-2021) is $25.36/ton (2022$).[3] After applying the $13/short ton fee, the new average cost per ton would be $38.36 (a 51% increase). Transportation costs used in this analysis are uncertain because freight cost data are not publicly available. Experts estimated current coal

[3] Transportation costs from Central Appalachia to Maryland were withheld in the same database, which occurs when 3 or fewer mine company respondents fill out the EIA information survey.

transportation costs for exported coal from Northern Appalachia at about $30/ton, which if accurate would mean that the $13/ton increase would represent a 43% increase in transport costs. Freight rates have been steadily increasing and rates per ton-mile have increased 15% over 5 years (2016-2021) and 22% over 10 years (2011-2021), measured in current dollars (US Department of Transportation Bureau of Transportation Statistics, 2023). Further, other sources suggest that the national average freight rate for rail transport is higher than the $0.0459 used in this analysis (e.g., Boleneus, 2024). Further, the costs to ship coal by rail to the Port of Baltimore will vary by distance and volume and this analysis does not include costs to transport coal by truck or barge when mines are not served directly by rail.

Coal exports volumes and selling prices at Baltimore have fluctuated over time and are subject to global changes in demand and supply. According to the EIA, exports increased from 2022 to 2023, but otherwise have been fairly steady for the past 5 years (EIA Annual Coal report 2023). The increased transportation costs could be a substantial proportion of the selling price of coal. The majority of the coal exported in Baltimore is bituminous coal, and the EIA (2024) reports that the average sales price of bituminous coal was $96.23 per short ton in 2023, a 1.8% decrease from 2022. However, bituminous price varies by qualities of the coal and all types of thermal coal (which includes most bituminous coal), had a national average selling price of $37.60 per short ton. Therefore, the price of most export coal from Baltimore is uncertain but subject matter experts said the price could be around $70/ton. The estimate of average coal sales price (of all coal types) in 2023 for Maryland was $101.89 and for Pennsylvania was $91.71. The West Virginia average sales price was a bit higher at $120.08 in 2023 (US Energy Information Administration, 2024b).

Mining companies in Northern Appalachia will face the challenge of either absorbing additional transport costs or passing these costs onto coal buyers. The ability to raise prices and pass along these costs depends on the state of the global coal market. If coal mines in other countries can maintain current global market prices while Baltimore coal prices rise, those countries would gain a comparative advantage and could capture market share from Appalachian mines. During the period when the Port of Baltimore was closed, CONSOL Mining stated that they were absorbing the added costs by reducing capital expenditures and taking other measures to control expenses (Mining Connection, 2024). However, if such cost-cutting measures are not sustainable in the long term, CONSOL may be forced to increase the selling price of coal, which could reduce their market share and exports from Baltimore.

Conclusions

This transportation cost analysis suggests that the coal that is currently being exported from the Port of Baltimore is unlikely to be diverted to the coal terminals at the Port of Virginia, since it would cost more than paying a $13/ton fee for all mines in Northern Appalachia. Taking into account the total amount of coal moving from each mine, the production-weighted increase in costs for Northern Appalachian coal mines from shifting export from the Port of Baltimore to the Port of Virginia has a median value of about $1.0 million per mine. The 17 mines at the low end of the cost distribution have increased production-weighted transportation costs that range from $1,600 - $100,000. At the high end of the distribution, 8 mines have increased costs that ranged from $3.3 million - $53.0 million. The average increase in transportation distance is 597 miles, with an associated average increase in cost of $27.41 per ton and a range of $14.19 - $38.00 per ton delivered. A small volume of coal coming from Central Appalachian mines to the Port of Baltimore has the potential to be diverted to Virginia by the fee since that route appears to already be more cost-effective with estimated transport savings of $0.66 - $3.69 per ton to use the Virginia coal terminals, even before adding the fee.

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SB0882 - SUPPORT

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301-928-1624

February 27, 2025

SUPPORT: SB0882- Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)

Chair Feldman and Members of the Committees:

Coal traveling through Maryland creates significant air pollution, affecting the health of residents living along transport routes. Additionally, the burning of coal creates greenhouse gas emissions and is contrary to fighting climate change. This bill, Coal Dust Cleanup and Asthma Mitigation Fund, creates a dedicated funding stream to address these impacts while supporting communities most affected by coal pollution. This bill will bring in needed revenue, but I want to address the importance of coal dust on these communities.

I'm a retired physician who specialized in diseases caused by work and treated many people with lung disease caused by airborne dust, such as coal dust. I've also worked with a number of communities impacted by hazardous chemicals being released in their neighborhoods. My knowledge and experience tell me that communities exposed to coal dust on a regular basis will have detrimental health impacts. Twenty years ago, research from Harvard, The "Six Cities" study, was a major epidemiological study of over 8,000 adults in six American cities that helped to establish the connection between fine-particulate air pollution (as can come from coal dust) and reduced life expectancy. Research since has refined our knowledge and confirmed these findings again and again. More specific studies (including from University of California - Davis and the Johns Hopkins University) have shown a dramatic increase in respiratory ailments in communities along the coal route. While this is especially true in Baltimore City, which has one of the highest asthma rates in the country, the impact of coal dust can be felt in communities along the coal route, including Frostburg, Hagerstown and other Western Maryland communities.

In a perfect world, we would no longer be mining or exporting coal. Our world is less than perfect, so this bill is a great step toward helping impacted communities. I urge a favorable vote on this bill.

SB 882_Coal Dust Clean Up and Asthma Mitigation Fu
Uploaded by: Laurie McGilvray
Position: FAV

Committee: **Education, Energy, and the Environment**
Testimony on: **SB882 - Coal Dust Clean Up and Asthma Mitigation Fund**
Organization: **Maryland Legislative Coalition - Climate Justice Wing**
Submitting: **Dave Arndt, Co-Chair**
Position: **Favorable**
Hearing Date: **February 27, 2025**

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of SB882. The Maryland Legislative Coalition - Climate Justice Wing, a statewide coalition of nearly 30 grassroots and professional organizations, urges you to vote favorably on SB882.

SB882 builds upon the principle of the existing 8-cent per barrel fee for oil transfers that allocates funds to help address oil spills and protect communities by creating a new fund that addresses the impact of coal transport on our communities and climate. It is estimated that SB882 would bring in approximately $300 million per year for climate programs.

The benefits of SB882 are clear:

- We are in a Climate Crisis and this bill encourages cleaner transportation methods and reduced reliance on fossil fuels.
- This bill is a pivotal step towards Maryland's ambitious clean energy targets by ensuring a fair contribution from fossil fuel transport to the state's environmental and clean energy funds.
- Fighting climate change and mitigating the effects of climate change are expensive propositions and are especially difficult when Maryland has a constrained budget. This bill provides additional funding which can further our leadership in climate solutions, support equitable energy access, and protect our natural resources for future generations.
- It directs 40% of revenue to support overburdened and underserved communities affected by coal transport.
- It provides $5 million annually for asthma treatment programs targeting residents living along coal transport routes.

We strongly support SB882; however, we suggest one change that would strengthen the bill - to include an escalating fee structure to further support our efforts to combat climate change and encourage a reduced reliance on fossil fuels.

For all of these reasons, we strongly support HB882 and urge a **FAVORABLE** report in Committee.

350MoCo

Adat Shalom Climate Action
Cedar Lane Unitarian Universalist Church Environmental Justice Ministry
Chesapeake Earth Holders
Climate Parents of Prince George's
Climate Reality Project
ClimateXChange – Rebuild Maryland Coalition
Coming Clean Network, Union of Concerned Scientists
DoTheMostGood Montgomery County
Echotopia
Elders Climate Action
Fix Maryland Rail
Glen Echo Heights Mobilization
Greenbelt Climate Action Network
HoCoClimateAction
IndivisibleHoCoMD
Maryland Legislative Coalition
Mobilize Frederick
Montgomery County Faith Alliance for Climate Solutions
Montgomery Countryside Alliance
Mountain Maryland Movement
Nuclear Information & Resource Service
Progressive Maryland
Safe & Healthy Playing Fields
Takoma Park Mobilization Environment Committee
The Climate Mobilization MoCo Chapter
Unitarian Universalist Legislative Ministry of Maryland
WISE

SB0882_FAV_Coal_Fee_EEE_HoCoCA.org.pdf
Uploaded by: Liz Feighner
Position: FAV

HoCoClimateAction.org
Howard County, Maryland

Bill: **SB0882 - Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)**
Hearing Date: **February 27, 2025**
Bill Sponsor: **Senator Rosapepe**
Committee: **Education, Energy, and the Environment**
Submitting: Liz Feighner for **HoCo Climate Action**
Position: **Favorable**

HoCo Climate Action is a 350.org local chapter and a grassroots organization representing approximately 1,400 subscribers. We are also a member of the Climate Justice Wing of the Maryland Legislative Coalition.

Howard County Climate Action supports **SB0882, Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)**, which will provide a fair and practical solution to address the health and environmental impacts of coal transport through our state.

By creating a dedicated funding source on coal transported through Maryland, we can better support communities that have long borne the burden of coal pollution. This bill will create a dedicated Fossil Fuel Mitigation Fund to address pollution impacts and direct 40% of revenue to support overburdened and underserved communities affected by coal transport. It also provides $5 million annually for asthma treatment programs targeting residents living along coal transport Routes and generates approximately $300 million per year for climate programs.

Fighting climate change and mitigating the effects of climate change are expensive propositions and are especially difficult when Maryland has a constrained budget. This bill provides additional funding which can further our leadership in climate solutions, support equitable energy access, and protect our natural resources for future generations.

We urge a **favorable report on SB0882**.

Howard County Climate Action
Submitted by Liz Feighner, Steering and Advocacy Committee
www.HoCoClimateAction.org
HoCoClimateAction@gmail.com

SB0882_MDSierraClub_fav_27February2025.pdf
Uploaded by: Mariah Shriner
Position: FAV

SIERRA CLUB
MARYLAND CHAPTER

P.O. Box 278
Riverdale, MD 20738

Committee: **Education, Energy and the Environment**
Testimony on: **SB 882, Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)**
Position: **Support**
Hearing Date: **February 27, 2025**

The Maryland Chapter of the Sierra Club urges a favorable report on SB 882, the Coal Dust Cleanup and Asthma Remediation Act. Railroad companies transport coal through Maryland in uncovered cars, spreading coal dust pollution along rail lines, despoiling environments, and impairing the health of people living nearby. When the coal is burned at its ultimate destination, the process releases greenhouse gases that warm the planet and cause climate change. SB 882 makes the carriers accountable for these harms by assessing fees for transporting coal in Maryland.

The coal transportation fee is set at $13 per short ton of coal transported in the state; however, no fee will be charged for coal transported solely for use on a farm. The fees will be deposited in a newly established Fossil Fuel Mitigation Fund administered by the Maryland Department of the Environment (MDE). Fee collections are estimated at $250-300 million per year.

MDE will primarily use the Fund to support actions that reduce greenhouse gas emissions. At least 40% of the program funds must be used for activities that address the impacts of climate change on overburdened and underserved communities, including asthma treatment programs

The bill will place no financial burden on the state. To the contrary, the fees assessed by the bill will supply almost 30% of the estimated annual $1 billion required to carry out Maryland's Climate Pollution Reduction Plan. The Plan, which lays out steps that Maryland can take to achieve its statutorily-required climate goals of a 60% reduction in greenhouse gas emissions by 2031 and net zero greenhouse gas emissions by 2045, includes important components like building electrification programs, deployment of EV charging systems, and expansion of public transit.

For these reasons, the Maryland Chapter of the Sierra Club requests a favorable report on SB 882.

Bruce Davis
Clean Energy Legislative Team
bdavis39@comcast.net

Josh Tulkin
Chapter Director
Josh.Tulkin@MDSierra.org

SB 882 - CBF - FAV.pdf
Uploaded by: Matt Stegman
Position: FAV

CHESAPEAKE BAY FOUNDATION

Environmental Protection and Restoration
Environmental Education

Senate Bill 882

Coal Transportation Fee and Fossil Fuel Mitigation Fund
(Coal Dust Cleanup and Asthma Remediation Act)

Date:	February 27, 2025	Position:	**FAVORABLE**
To:	Education, Energy, & Environment Committee	From:	Gussie Maguire, MD Staff Scientist

Chesapeake Bay Foundation (CBF) **SUPPORTS** SB 882, which establishes a coal transportation fee and corresponding Fossil Fuel Mitigation Fund, to be used for projects that reduce greenhouse gas emissions and the impacts of those emissions on Maryland and its residents. Coal dust and climate change disproportionately impact overburdened and underserved communities throughout the state: this bill looks to address that historic injustice by holding polluters financially responsible. Funds could be used for electrification, increasing energy efficiency in buildings, mass transit, and, in direct response to the respiratory health impacts in communities impacted by coal dust, asthma treatment.

According to analysis by researchers at the University of Maryland Center for Environmental Science, the $13 per short ton fee established by the bill would be more affordable for coal carriers than re-routing to ports in other states, meaning that the fee would be unlikely to deter business coming through the Port of Baltimore. The revenue that would be raised by the bill is estimated to top $250 million annually. Polluting industries can and should contribute to the cost of repairing the damage they have done to the environment and to public health.

CBF urges the Committee's FAVORABLE report on SB 882.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.

GHHI SB882 Offical Testimony .pdf
Uploaded by: Micah Anglin
Position: FAV

Green & Healthy Homes Initiative®

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www.ghhi.org

February 25, 2025

Senator Brian J. Feldman, Chair
Senate Education, Energy, and the Environment Committee
2 West, Miller Senate Office Building
Annapolis, Maryland 21401

Re: **FAVORABLE** – SB882 – Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)

Dear Chairman Feldman and Members of the Committee:

On behalf of the Green & Healthy Homes Initiative (GHHI), I submit for the record our testimony in support of Senate Bill 882. GHHI is a 501(c)(3) national nonprofit organization headquartered in Baltimore, Maryland. Our mission is to address the social determinants of health, opportunity and racial and health equity through the creation of healthy, safe and climate resilient homes.

GHHI is the nation's lead authority on the benefits of a whole-house approach that aligns, braids and coordinates energy efficiency, health and safety to create an integrated home repair and retrofit delivery model to improve health, economic and social outcomes in line with the state's climate goals. The GHHI model has been supported by the US Department of Energy (DOE) and the US Department of Housing and Urban Development (HUD) as well as numerous states, cities and counties throughout the US. By delivering a standard of excellence, GHHI's work aims to eradicate the negative impact of historic disinvestment, the legacy of ill-conceived and unjust housing by creating holistically healthy housing for children, seniors and families in Maryland's low wealth communities. GHHI's work has been recognized through national best practice awards from the US Environmental Protection Agency (EPA) and HUD. In 2023, GHHI was awarded the Buildings Upgrade Prize award from the DOE in recognition of its proposed initiative to complete electrification of low-income households in East Baltimore through a community-driven, whole home initiative with health and safety, workforce, and efficiency benefits.

GHHI supports the passing of SB 882 because it will ensure that Maryland communities, especially those disproportionately affected by coal pollution, can breathe cleaner air, live in healthier homes, and access critical asthma treatment programs through a dedicated funding approach.

Health and Respiratory Impacts of Coal Pollution

Baltimore serves as the nation's second-largest coal exporting port, following Norfolk, Virginia, with approximately 28% of U.S. coal exports passing through the city in 2023.[1] This high volume of coal transport has a direct and significant impact on local air quality, contributing to elevated levels of fine particulate matter (PM2.5) — a pollutant well-documented for its harmful health effects. Even short-term exposure to PM2.5, lasting as little as one hour, has been shown to trigger asthma attacks, cardiovascular events, and emergency hospital visits, particularly affecting children, seniors, and those with pre-existing health conditions.[2] Communities located along coal transport routes are disproportionately exposed to these pollutants, increasing their risk for respiratory diseases and exacerbating existing health disparities.

In the State Maryland we have some of the best health care systems in the country. However, in these same communities, we also see health disparities including that Maryland has over 500,000 children and adults who are diagnosed with asthma. Asthma is the number one reason children miss days from school. The societal costs directly correlate to 14.4 missed school days and 14.2 missed workdays in the US annually due to asthma episodes. In Maryland, the state spends $42.1 million annually for asthma related hospitalizations. Direct medical costs of asthma in Maryland amount to $100 million annually, with a significant portion attributed to emergency services and hospitalizations.[3]

This staggering financial burden reflects the broader public health impact of air pollution, particularly in communities disproportionately exposed to harmful pollutants from industrial activities, such as coal transportation. Nationally, asthma's annual direct healthcare cost reaches approximately $50.1 billion, with an additional $5.9 billion in indirect costs due to lost productivity. These figures underscore the urgent need to address pollution sources that exacerbate respiratory illnesses, especially in overburdened communities.

By taxing the coal that passes through the state, Maryland can offset the damage caused by this pollution and use the revenue to directly address the health and safety problems that come with coal transportation. This approach mirrors the state's existing model for oil transportation, where a fee on oil transport is used to fund efforts to clean up oil spills and protect communities from environmental harm. Just as the oil fee has held polluters accountable, a similar coal transport fee can fund asthma treatment programs, air quality monitoring, and community health initiatives — helping to safeguard public health while promoting environmental justice.

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[1] U.S. Energy Information Administration. *Maryland State Profile and Energy Estimates.* U.S. Department of Energy, 2023, https://www.eia.gov/state/print.php?sid=MD. Accessed 18 Feb. 2025.
[2] Ostro, Bart, Nicholas Spada, and Heather Kuiper. "The Impact of Coal Trains on PM2.5 in the San Francisco Bay Area." *Air Quality, Atmosphere & Health*, vol. 16, no. 1173–1183, 2023, doi:10.1007/s11869-023-01333-0.
[3] Norton, Ruth Ann, and Brendan Wade Brown. *Green & Healthy Homes Initiative: Improving Health, Economic, and Social Outcomes Through Integrated Housing Intervention*. Environmental Justice, vol. 7, no. 6, 2014, pp. 1–7. Mary Ann Liebert, Inc., doi:10.1089/env.2014.0033.

Funding for Asthma Treatment and Community Health Programs

The bill designates 2% of the funds generated to support asthma treatment programs for communities impacted by coal dust, recognizing the critical need to address the health disparities caused by coal-related pollution. Investing in asthma mitigation is not only a necessary public health measure but also a proven strategy for improving broader community well-being. A prime example of this success is GHHI's whole house approach. Studies for the US Department of Housing and Urban Development have shown the benefits of GHHI's whole house approach in Baltimore as follows:

- 66% reduction in asthma related hospitalizations
- 62% increase in school attendance by addressing chronic absences due to asthma
- 88% increase in parental work attendance related directly to healthier children
- 30% reductions in asthma related ER visits
- 99% reductions in childhood lead poisoning
- Reductions in household injuries for children and trip and fall injuries for seniors
- Increased mobility and accessibility in the home for older adults who are able to Age in Place in the homes and communities where they choose to live

Economic and Energy Equity Considerations

A February 2023 report from PSE Energy revealed that approximately 400,000 Marylanders experience an energy burden exceeding 6%, the threshold researchers use to define a high energy burden.[4] This disproportionately affects low-income households, forcing many families to make difficult choices between paying energy bills and meeting other essential needs. Rising utility costs, particularly due to the escalating 43% increase in BGE gas delivery rates since 2020, place additional strain on these vulnerable households, often leaving them trapped in an energy system that is both costly and environmentally damaging.

This fund dedicates up to 23% of its revenue to support home energy efficiency and electrification initiatives. This targeted investment ensures that communities most impacted by coal dust and fossil fuel pollution, particularly overburdened and underserved neighborhoods, can live in healthier, more energy efficient, and more affordable homes. By establishing a dedicated funding stream, the bill empowers households to transition away from outdated fossil fuel systems and invest in high-efficiency electric technologies like heat pumps and induction stoves, which reduce energy consumption while eliminating harmful air pollutants.

[4] Arjun Makhijani, et al, Energy Affordability in Maryland: Integrating Public Health, Equity and Climate, Executive Summary (Feb. 2023), available at https://www.psehealthyenergy.org/wp-content/uploads/2023/02/Energy-Affordability-in-Maryland-2023_-Final-Report-1.pdf.

Conclusion

The Coal Dust Cleanup and Asthma Remediation Act (SB 882) offers an equitable approach to addressing the long-standing health, environmental, and economic challenges posed by coal transportation in Maryland. By imposing a modest fee on coal transport, the state can finally hold polluters accountable while generating essential revenue to fund asthma treatment programs, energy efficiency upgrades, and community health initiatives—all of which directly benefit those most affected by coal pollution. This bill not only tackles the immediate public health crisis caused by coal dust and fossil fuel emissions but also invests in long-term solutions that reduce greenhouse gas emissions, improve air quality, and advance Maryland's ambitious climate goals. We urge the committee to support this critical legislation and take a decisive step toward creating a healthier, more equitable Maryland for all.

Respectfully Submitted,

DocuSigned by:
Ruth Ann Norton
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Ruth Ann Norton
President and CEO

GHHI SB882 Written Testimony.pdf
Uploaded by: Ruth Ann Norton
Position: FAV

Green & Healthy Homes Initiative®

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February 25, 2025

Senator Brian J. Feldman, Chair
Senate Education, Energy, and the Environment Committee
2 West, Miller Senate Office Building
Annapolis, Maryland 21401

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In the State Maryland we have some of the best health care systems in the country. However, in these same communities, we also see health disparities including that Maryland has over 500,000 children and adults who are diagnosed with asthma. Asthma is the number one reason children miss days from school. The societal costs directly correlate to 14.4 missed school days and 14.2 missed workdays in the US annually due to asthma episodes. In Maryland, the state spends $42.1 million annually for asthma related hospitalizations. Direct medical costs of asthma in Maryland amount to $100 million annually, with a significant portion attributed to emergency services and hospitalizations.[3]

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By taxing the coal that passes through the state, Maryland can offset the damage caused by this pollution and use the revenue to directly address the health and safety problems that come with coal transportation. This approach mirrors the state's existing model for oil transportation, where a fee on oil transport is used to fund efforts to clean up oil spills and protect communities from environmental harm. Just as the oil fee has held polluters accountable, a similar coal transport fee can fund asthma treatment programs, air quality monitoring, and community health initiatives — helping to safeguard public health while promoting environmental justice.

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[1] U.S. Energy Information Administration. *Maryland State Profile and Energy Estimates.* U.S. Department of Energy, 2023, https://www.eia.gov/state/print.php?sid=MD. Accessed 18 Feb. 2025.
[2] Ostro, Bart, Nicholas Spada, and Heather Kuiper. "The Impact of Coal Trains on PM2.5 in the San Francisco Bay Area." *Air Quality, Atmosphere & Health*, vol. 16, no. 1173–1183, 2023, doi:10.1007/s11869-023-01333-0.
[3] Norton, Ruth Ann, and Brendan Wade Brown. *Green & Healthy Homes Initiative: Improving Health, Economic, and Social Outcomes Through Integrated Housing Intervention*. Environmental Justice, vol. 7, no. 6, 2014, pp. 1–7. Mary Ann Liebert, Inc., doi:10.1089/env.2014.0033.

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A February 2023 report from PSE Energy revealed that approximately 400,000 Marylanders experience an energy burden exceeding 6%, the threshold researchers use to define a high energy burden.[4] This disproportionately affects low-income households, forcing many families to make difficult choices between paying energy bills and meeting other essential needs. Rising utility costs, particularly due to the escalating 43% increase in BGE gas delivery rates since 2020, place additional strain on these vulnerable households, often leaving them trapped in an energy system that is both costly and environmentally damaging.

This fund dedicates up to 23% of its revenue to support home energy efficiency and electrification initiatives. This targeted investment ensures that communities most impacted by coal dust and fossil fuel pollution, particularly overburdened and underserved neighborhoods, can live in healthier, more energy efficient, and more affordable homes. By establishing a dedicated funding stream, the bill empowers households to transition away from outdated fossil fuel systems and invest in high-efficiency electric technologies like heat pumps and induction stoves, which reduce energy consumption while eliminating harmful air pollutants.

[4] Arjun Makhijani, et al, Energy Affordability in Maryland: Integrating Public Health, Equity and Climate, Executive Summary (Feb. 2023), available at https://www.psehealthyenergy.org/wp-content/uploads/2023/02/Energy-Affordability-in-Maryland-2023_-Final-Report-1.pdf.

Conclusion

The Coal Dust Cleanup and Asthma Remediation Act (SB 882) offers an equitable approach to addressing the long-standing health, environmental, and economic challenges posed by coal transportation in Maryland. By imposing a modest fee on coal transport, the state can finally hold polluters accountable while generating essential revenue to fund asthma treatment programs, energy efficiency upgrades, and community health initiatives—all of which directly benefit those most affected by coal pollution. This bill not only tackles the immediate public health crisis caused by coal dust and fossil fuel emissions but also invests in long-term solutions that reduce greenhouse gas emissions, improve air quality, and advance Maryland's ambitious climate goals. We urge the committee to support this critical legislation and take a decisive step toward creating a healthier, more equitable Maryland for all.

Respectfully Submitted,

DocuSigned by:
Ruth Ann Norton
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Ruth Ann Norton
President and CEO

SB0882_IndivisibleHoCo_FAV.pdf
Uploaded by: Virginia Smith
Position: FAV

SB0882

Coal Transportation Fee and Fossil Fuel Mitigation Fund

(Coal Dust Cleanup and Asthma Remediation Act)

Testimony before Education, Energy, and the Environment

Hearing February 27, 2025

Position: Favorable

Dear Chair Feldman and Co-Chair Kagan, and members of the committee, my name is Virginia Smith, and I represent the 900+ members of Indivisible Howard County. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We are providing written testimony today **in support of SB0882**, which will impose a coal transportation fee on a person that transport coal in the State. We thank Senator Rosapepe for sponsoring this bill.

Coal traveling through Maryland creates significant air pollution, affecting the health of residents living along transport routes, while the burning of coal works against the State's climate goals by creating more greenhouse gas emissions. This bill will build on an already successful program that charges a fee on oil transport by establishing a fee of $13 per ton of coal transported through Maryland and creates a dedicated Fossil Fuel Mitigation Fund to address pollution impacts. It also bolsters the State's goal of supporting Environmental Justice by directing 40% of the revenue generated to support overburdened and underserved communities affected by coal transport and provides $5 million annually for asthma treatment programs targeting residents living along coal transport. In this time of budget shortfalls, this bill will generate approximately $300 million per year for much needed climate programs.

This legislation provides a fair and practical solution to address the health and environmental impacts of coal transport through our state. The dedicated funding source created will allow us to better support communities that have long borne the burden of coal pollution.

Thank you for your consideration of this important legislation.

We respectfully urge a favorable report.

Virginia Smith
Columbia, MD 21044

Testimony SB0878.pdf
Uploaded by: Debbie Cohn
Position: FWA

Committee: **Education, Energy and the Environment**
Testimony on: **SB0878 Oil and Natural Gas – Hydraulic Fracturing - Authorization**
Submitting: **Deborah A. Cohn**
Position: **Opposing**
Hearing Date: **February 22, 2025**

Dear Chair Feldman, Vice Chair Kagan and Committee Members:

Thank you for allowing my testimony today opposing SB0878. I have resided in Maryland since 1986, and most of my descendants reside in Maryland. I write to you with them in mind.

Maryland, in an overwhelming vote, permanently banned hydraulic fracturing, or fracking, in Maryland in 2017 and for good reason. It can destabilize geological formations increasing seismic risks. Toxic chemicals, including the known carcinogens benzene, xylene and toluene, are included in the fracking solution, a significant amount of which comes back to the surface loaded with heavy metals and radioactive materials. These toxic chemicals risk leaching into our drinking water. Fracking communities often have higher rates of birth defects and other adverse birth outcomes.

We do not need to reintroduce fracking into Maryland. We have no shortage of oil and gas in our country, and producing more in Maryland does nothing to address electricity reliability and affordability.

For these reasons I strongly oppose SB0878 and urge an UNFAVORABLE report in Committee.

Thank you.

SB882 - MRMCA - UNF.pdf
Uploaded by: Caitlin McDonough
Position: UNF

MRMCA
MARYLAND READY MIX CONCRETE ASSOCIATION

The Honorable Brian Feldman
Chair, Senate Education, Energy and Environment Committee
Miller Senate Office Building, 2 East
11 Bladen Street
Annapolis, MD 21401
February 27, 2025

TESTIMONY IN OPPOSITION TO SENATE BILL 882 – COAL TRANSPORTATION FEE AND FOSSIL FUEL MITIGATION FUND (COAL DUST CLEANUP AND ASTHMA REMEDIATION ACT)

The Maryland Ready-Mix Concrete Association, Inc. (MRMCA) is the state trade association for ready mix concrete and cement producers who create many of the essential materials and products needed to build Maryland's physical infrastructure. Production of some of these materials, particularly the cement needed for major structures like bridges and tunnels, rely on coal for their manufacturing processes as it is one of the few fuels that burns hot enough to create strong and effective building materials. Due to that dependence on coal as a unique fuel source, these producers will be significantly impacted by the fees proposed in Senate Bill 882. There are several aspects of the proposed bill that cause concern:

- The additional fee placed on coal transported through the State will inevitably be passed through the end users of those materials, leading to higher costs and prices for materials that rely on coal for production;
- High pricing for materials produced in Maryland makes those products less competitive with producers in other states and countries, many of which do not have the same environmental protections Maryland does like (1) Environmental Product Declarations (EPD), (2) emission controls, and (3) Building Energy Performance Standards (BEPS). The bill will essentially direct purchases to out-of-state producers that do not provide economic benefits for Maryland and contribute more to global environmental concerns;
- Maryland, through its procurement processes, is one of the largest purchasers of cement and other building materials that require coal for production. State agencies engaging in capital procurement will have to choose between higher cost Maryland products or going out of state to meet their construction materials needs.

MRMCA and its members are proud of their partnership with the State to reduce their emissions and become some of the cleanest producers and manufacturers of these essential products and remain committed to those efforts. SB882 would add another unavoidable cost burden on local producers and, instead, incentivizes increased reliance

by both public and private purchasers on less clean manufacturers in other jurisdictions. For these reasons, MRMCA respectfully urges an unfavorable report on Senate Bill 882.

SB 882 - Coal Transportation Fee and Fossil Fuel M

Uploaded by: Carol Riley-Alexander

Position: UNF

THE BOARD OF GARRETT COUNTY COMMISSIONERS

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Board of Commissioners
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Ryan S. Savage
S. Larry Tichnell

County Administrator
Kevin G. Null

County Attorney
Gorman E. Getty III

February 24, 2025

Senator Brian J. Feldman, Chair
Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, Maryland 21401

RE: SB 882 - Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act

Dear Senator Feldman

On behalf of the Board of County Commissioners of Garrett County, I wish to express our opposition to Senate Bill 882, titled "Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)." While the Bill aims to address important public health and environmental concerns, we believe the approach outlined in SB 882 may not be the most effective or equitable solution for our state.

Firstly, the imposition of a coal transportation fee places an undue financial burden on industries that are already struggling with economic challenges. This fee could lead to increased costs for consumers and negatively impact the competitiveness of Maryland businesses, particularly those in the energy sector. It is important to consider the potential economic ramifications of such a fee on the livelihoods of those living and working in Garrett County and the overall economy of our state.

Secondly, the allocation of a $13 per ton tax will cost Casselman Mine, the only underground mine operating in Garrett County, approximately $2,25 million a year on the179,000 tons of coal mined. Casselman Mine is a major employer in Garrett County employing over 100 people with plans to expand their operations and employ an additional 100 people.

While the Climate Solutions Now Act of 2022 requires net zero emissions by 2045 the State does not currently have the capacity to supplement coal for alternative energy sources. In addition, the coal mined at the Casselman mine is a high quality metalogical coal used in the steel industry.

We urge you and your colleagues to reconsider Senate Bill 882 and explore alternative solutions that balance the needs of public health, environmental protection, and economic stability. It is important to find a path forward that addresses these critical issues in a way that is fair and sustainable for all Maryland residents.

On behalf of the Board

Paul C. Edwards
Chairman

cc: Senate Mike McKay
Delegate Jim Hinebaugh

BPA SB 882 LOO.pdf
Uploaded by: David Chenowith
Position: UNF

BALTIMORE PORT ALLIANCE
Office of the Association of Maryland Pilots
3720 Dillon Street
Baltimore, MD 21224
410-276-1337 x 253
info@mdpilots.com
baltimoreportalliance.org

February 27, 2025

The Honorable Brian J. Feldman
Chair, Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

Re: Letter of Opposition – Senate Bill 882 - Coal Transportation Fee and Fossil Fuel Mitigation Fund

Dear Chair Feldman and Committee Members:

The Baltimore Port Alliance ("BPA") respectfully opposes Senate Bill 882, as it would put the Port of Baltimore at a competitive disadvantage and detrimentally impact the hardworking men and women who make their living in the maritime industry.

Senate Bill 882 sends a troubling message to carriers and the maritime industry by imposing a fee on the transportation of coal through the State of Maryland exported internationally through the Port of Baltimore. In 2024, the Port of Baltimore exported nearly 25.7 million tons of coal. Senate Bill 882 would require port exporters to pay approximately $334 million in *additional* transportation fees on coal exports annually. Not only does this fee on international exports deter carriers from operating in the State, but the fee may also impact the ability for the Port of Baltimore to continue to be prioritized for federal maintenance dredging of the shipping channels leading to our piers.

The Port of Baltimore is an economic engine and critical international gateway that connects the region to global suppliers and markets, relying wholly on the existence of the 50-foot channel maintained by the U.S. Army Corps of Engineers. Without the 50-foot channel, Port activity would grind to a halt, as the channels leading to the Port would be impassable to container ships and bulk carriers alike. To be prioritized for federal maintenance dredging funding, the Port relies, in part, on total tonnage to demonstrate the critical importance of the Port of Baltimore to the region and the international supply chain. Without the inclusion of the tonnage generated by coal exports, the Port's total tonnage is cut by more than half. Changes in vessel usage, loss of cargo tonnage, and changes in use or loss of cargo terminals can trigger changes in the assessment of federal maintenance dredging and could result in the loss of federal channel investment in the Port of Baltimore.

Carriers will always move cargo by the most efficient and economical means and the Port is in constant competition with rivals in an industry that operates on razor thin margins. For the Port to remain the successful economic engine it has proven to be, Maryland cannot afford to be at a competitive disadvantage with our neighboring ports and risk the prioritization of the 50-foot federal channel, as the success of our Port directly benefits the State and the good-paying, family-supporting jobs who depend on it.

The BPA respectfully requests the Committee grant Senate Bill 882 an unfavorable report.

Sincerely,

David Chenowith

David Chenowith
Chairman
Baltimore Port Alliance

About the Baltimore Port Alliance: The Baltimore Port Alliance is a 501(c)(6) non-profit organization of maritime stakeholders dedicated to addressing the needs and interests of businesses and individuals who make their living and support their families through maritime commerce. The BPA is also aware of the importance of being a good neighbor to the communities that are nearby maritime facilities at the Port of Baltimore.

HB 882 Opposition Letter - Host Agency 2.25.25 (00

Uploaded by: David Chenowith

Position: UNF

February 25, 2025

The Honorable Brian J. Feldman
Chair, Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

Re: Letter of Opposition – Senate Bill 882 – Coal Transportation Fee and Fossil Fuel Mitigation Fund

Dear Chair Feldman and Committee Members:

Host Agency, LLC ("Host") respectfully opposes Senate Bill 882 (the "Bill"), due to its significant negative impact on the Port of Baltimore and the livelihoods of the men and woman who depend on it. The Bill would place the Port of Baltimore at a competitive disadvantage by diverting coal export tonnage to southern ports and disrupting a vital sector of Maryland's economy.

By way of introduction, T. Parker Host, Host Agency's parent company, was founded in 1923 as a ship agency and has since expanded into a family of companies providing ship agency, stevedoring, and terminal operations services. Host has served the Port of Baltimore as ship agents for 35+ years, and coal has played an important role in the company's history for over 100 years. The Bill is deeply concerning to Host as it will raise the price of coal handled in the State of Maryland to non-competitive levels in the global marketplace, leading to serious economic consequences.

The Bill sends a clear statement that exporting coal via the Port of Baltimore is financially unfeasible. To put the impact of the Bill into perspective, the proposed additional fossil fuel tax would increase the overall voyage expenses by approximately $1.1 million for a Panamax size vessel (~80,000 metric tons) and $1.8 million for a Capesize vessel (~130,000 metric tons).

As a critical international gateway, the Port of Baltimore relies wholly on its deep, 50-foot channel to accommodate large vessels. Cargo tonnage is a key metric used to demonstrate the importance of the Port in the international supply chain in order to secure federal dredging funding. By discouraging coal exports, the Bill would reduce cargo volume and large vessel traffic, jeopardizing the ability to maintain necessary dredging operations for the 50-foot channel.

The Port's history provides a cautionary example of how losing a major commodity can have long-term economic consequences for a port and its surrounding communities. The Port of Baltimore enjoyed a robust export grain business serviced by three grain elevators which accounted for approximately 200 vessel calls during grain season. Due to price increases and additional taxes, all three grain elevators closed. The Port of Baltimore lost the vessel calls and the corresponding jobs that were held by ILA labor, private labor, FGIS, and government inspectors. The tonnage and jobs went to Hampton Roads and the Gulf of Mexico, never to be recaptured.

The Key Bridge Incident in March 2024 demonstrated the market's rapid response to logistical disruptions. Within just 30 days, 32 export coal shipments totaling 3.2 million metric tons were diverted to Hampton Roads. Fortunately, with confidence that this cargo would return, all Port stakeholders worked together to rebound and achieve record tonnage.

Carriers will always move cargo by the most efficient and cost-effective means. The Port of Baltimore already competes daily with other ports, and the cost-prohibitive effects of this Bill would not be a temporary setback—it would permanently alter Maryland's coal export landscape and the commercial viability of the Port.

Host respectfully urges the committee not to put the Port of Baltimore and the State of Maryland in a non-competitive position and asks that Senate Bill 882 receive an unfavorable report.

Sincerely
David Chenowith
David R. Chenowith
Director - Host Agency, LCC

Final Testimony SB882 - Core Natural Resources, CO
Uploaded by: Deck Slone
Position: UNF

Chairman Brian Feldman
Chairman, Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Written Testimony of Core Natural Resources, Inc.
February 25, 2025

Chairman Feldman and members of the Education, Energy, and the Environment Committee, thank you for the opportunity to submit written testimony concerning SB882.

Core Natural Resources, Inc. (Core) is a thermal, metallurgical, and industrial-use bituminous coal producer focused on global markets based in Canonsburg, Pennsylvania.

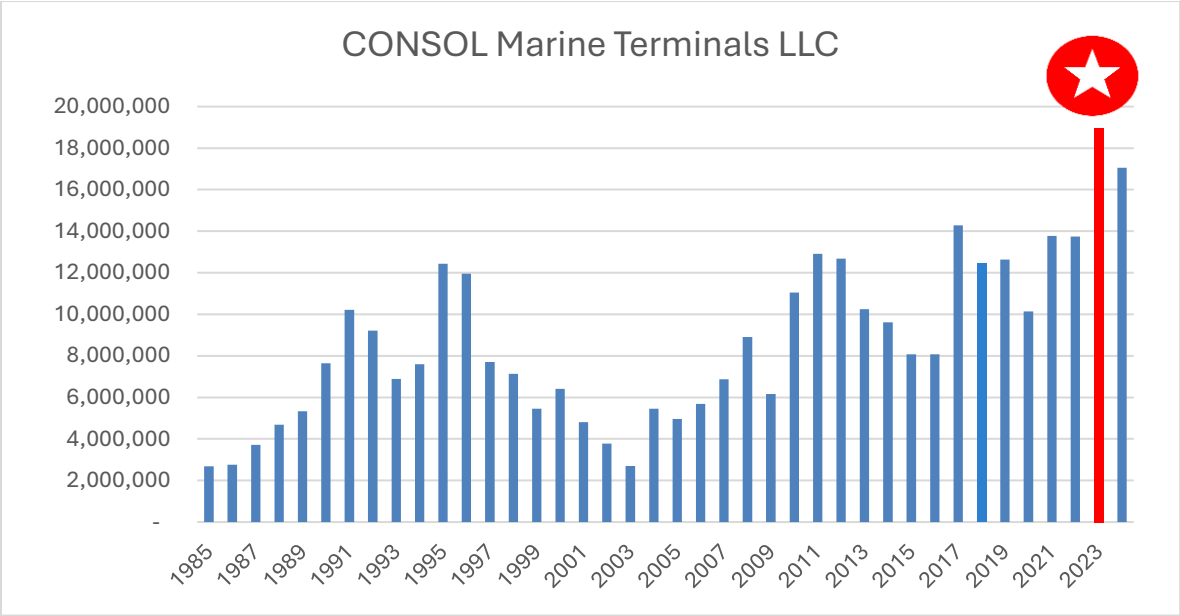
Core owns the largest underground bituminous mining complex in North America, the largest surface mining operation in the United States, and fully owns and operates a coal export terminal in the Port of Baltimore. This written testimony serves as Core's way to voice our strong opposition to the Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act).

The provisions in this bill would amount to a tax on coal that would force businesses to exit Maryland's coal export market. This would be detrimental to Baltimore's economy and would jeopardize thousands of jobs within the state.

The coal industry's economic impact to the state of Maryland is of critical importance. According to the Maryland Port Administration (MPA), coal is the top commodity by volume in the Port as of 2023 and the number two export commodity by total value, accounting for **$3.6 billion, or 20% of annual export revenues**. In the MPA's 2023 report on the Economic Impact of the Port, this amounts to over **$640 million in total revenue impact** to the City of Baltimore per year, generating the second greatest revenue impact by commodity for the Port. The coal industry provides 724 direct jobs in the port, which does not include induced and indirect jobs associated with the industry. Core directly employs approximately 100 people at our terminal in the Port, over 40 of them International Longshoremen's Association members.

According to the International Energy Agency (IEA), 2024 saw record global demand for coal. This demand trajectory will increase over the next few years. India is the Port of Baltimore's top trading partner both in terms of volume and value, and also happens to be driving most of the increase in global coal demand. This means coal will continue to be a great economic generator for Maryland for the foreseeable future. Any legislation that puts the industry at risk will force Maryland to no longer be competitive in coal export markets, driving coal exporters out of the state. This represents a severely missed opportunity for further revenue generation for the state.

Core's terminal (CONSOL Marine Terminals LLC) has seen increased throughput tonnage over the last several years and will continue to do so based on global trends. The following graph shows this upward trend and indicates the future revenue potential of the port.



As nations increase their purchase and usage of coal, it should be sourced from the United States, where we mine the highest quality coal in the safest, most environmentally friendly way possible.

Core jobs at the Port, including those held by ILA members, are in jeopardy should SB882 pass. This bill will also cause a decrease in Port revenues and be detrimental to Maryland's economy. The demand for coal is climbing and will continue to increase. Nations purchasing U.S. coal exports that travel through the Port of Baltimore will not cease purchasing it as a commodity. But SB882 will force these nations to purchase from elsewhere, causing the State of Maryland to miss out on longterm commodity revenues.

Core Natural Resources respectfully requests that you consider the above data when discussing SB882, and that you oppose this and any other legislation that puts the coal export industry at risk within the State of Maryland.

Again, thank you for the opportunity to submit this testimony.

SB 882_Coal Dust Cleanup and Asthma Remediation Ac
Uploaded by: Hannah Allen
Position: UNF

MARYLAND
Chamber of Commerce

Senate Bill 882

Position: Unfavorable
Committee: Senate Education, Energy, and the Environment
Date: February 27, 2025

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

Senate Bill 882 (SB 882) would impose a coal transportation fee on a person or entity transporting coal into Maryland. The rate of the fee is equal to $13 per short ton of coal transported into the state. The revenue generated from this fee would be allocated to a newly established Fossil Fuel Mitigation Fund.

The Chamber advocates for a diversified energy approach that considers the affordability and equitable energy needs of all Marylanders. While we recognize the intent to fund climate initiatives, SB 882 imposes a significant tax burden on Maryland businesses relying on coal for essential daily operations. This new tax would lead to increased operating costs for businesses involved in transporting coal, which ultimately will be passed down to consumers, leading to higher prices. SB 882 also places an undue burden on the Port of Baltimore, a major economic driver for the state, and jeopardizes the reliability of our energy options at a critical time.

The Port of Baltimore is a key hub for U.S coal exports, handling 28% of the nation's coal exports in 2023. However, coal also frequently enters the Port, particularly for use at the Brandon Shores and Wagner power plants, which rely on imported coal for electricity generation. SB 882 would directly impact the cost of coal imports, making it more expensive to supply these critical power facilities. Additionally, both plants are currently operating under a Reliability Must Run agreement, underscoring their essential role in maintaining grid stability in the Baltimore Region. With Maryland facing the threat of rolling blackouts until sufficient transmission upgrades are made to compensate for our increasing power generation, now is not the time to impose new costs on reliable and critical energy sources.

At a time when Maryland faces growing energy challenges, discouraging reliable energy sources in Maryland is counterproductive and risks increasing energy costs for businesses and consumers alike. Rather than imposing a punitive tax that disincentivizes essential energy resources, we urge the legislature to explore alternative approaches that balance environmental goals with economic realities and energy security considerations.

While this new tax aims to disincentivize the use of coal, which serves as a reliable and affordable energy option for Maryland businesses, there are many concerns about the effectiveness of such measures in achieving environmental goals. Additionally, the tax may disproportionately affect industries that rely on energy produced from coal without providing viable alternatives or sufficient support for transitioning.

For these reasons, the Maryland Chamber of Commerce respectfully requests an **unfavorable report** on **SB 882**.

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Uploaded by: Scott Cowan
Position: UNF

REG. U. S. PATENT OFFICE

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION Local No. 333

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443-682-8401 • FAX 410-752-4549
email: scottcowan333@comcast.net

SCOTT COWAN
President
International Vice President, ILA

February 27, 2025

The Honorable Brian J. Feldman
Chair, Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

Re: Letter of Opposition – Senate Bill 882 - Coal Transportation Fee and Fossil Fuel Mitigation Fund

Dear Chair Feldman and Committee Members:

The International Longshoremen's Association ("ILA") respectfully opposes Senate Bill 882, as it would significantly and detrimentally impact the hardworking men and women who make their living at the Port of Baltimore by putting at risk good-paying, family-supporting union jobs.

Senate Bill 882 sends a troubling message to carriers and the maritime industry by imposing a fee on the transportation of coal through the State of Maryland exported internationally through the Port of Baltimore. In 2024, the Port of Baltimore exported nearly 25.7 million tons of coal. Senate Bill 882 would require port exporters to pay approximately $334 million in *additional* transportation fees on coal exports annually. Not only does this fee on international exports deter carriers from operating in the State, but the fee may also impact the ability for the Port of Baltimore to continue to be prioritized for annual federal appropriations needed to dredge the shipping channels leading to our piers.

The Port of Baltimore is an economic engine and critical international gateway that connects the region to global suppliers and markets, relying wholly on the existence of the 50-foot channel maintained by the U.S. Army Corps of Engineers. Without the 50-foot channel, Port activity would grind to a halt, as the channels leading to the Port would be impassable to container ships and bulk carriers alike. To be prioritized for federal maintenance dredging funding, the Port relies, in part, on total tonnage to demonstrate the critical importance of the Port of Baltimore to the region and the international supply chain. Without the inclusion of the tonnage generated by coal exports, the Port's total tonnage is cut by more than half. Changes in vessel usage, loss of cargo tonnage, and changes in use or loss of cargo terminals can trigger changes in the assessment of federal maintenance dredging and could result in the loss of federal channel investment in the Port of Baltimore.

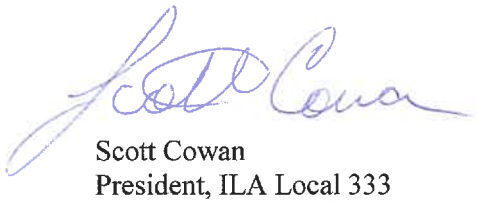
The ILA represents over 2000 maritime workers in Maryland, who bravely operate on the front lines of the private and public marine terminals and facilities at the Port of Baltimore. This includes over 40 members of the ILA at Core Natural Resources Marine Terminal in Baltimore, responsible for the majority of coal exports out of the State. The Port of Baltimore has grown significantly over the years,

breaking records, adding jobs, and bolstering economic activity in the process. Despite a challenging year, the Port of Baltimore has continued to recover. In fact, on January 21, 2025, the men and women of the ILA handled a record-breaking 6,956 container moves on a single vessel at the Port's Seagirt Marine Terminal, a testament to the resiliency and dedication of our labor force.

Carriers will always move cargo by the most efficient and economical means and the Port is in constant competition with rivals in an industry that operates on razor thin margins. For the Port to remain the successful economic engine it has proven to be, Maryland cannot afford to be at a competitive disadvantage with our neighboring ports and risk the prioritization of the 50-foot federal channel, as the success of our Port directly benefits the State and the hardworking men and women of the ILA who depend on it.

The ILA respectfully requests the Committee grant Senate Bill 882 an unfavorable report.

Sincerely,



Scott Cowan
President, ILA Local 333
Vice President, International Longshoremen's Association
443-756-2432

CSX Written Testimony Opposing SB882.pdf
Uploaded by: Sushant Sidh
Position: UNF

Brian W. Hammock
Director State Affairs
CSX Transportation

February 27, 2025

The Honorable Brian J. Feldman
2 West Miller Senate Office Building
Annapolis, MD 21401

RE: LETTER IN OPPOSITION TO SB882 – Coal Transportation Fee and Fossil Fuel Mitigation Fund

Dear Chair Feldman:

On behalf of CSX Transportation, I am writing to respectfully oppose SB882. The legislation would have a significant negative impact on the Port of Baltimore and disrupt an important sector of Maryland's economy with far-reaching consequences from the Chesapeake Bay to Western Maryland.

Designated a national energy transfer port under the federal Water Resources Development Act, Maryland relies on the volume of coal moved through the port to help fund otherwise cost-prohibitive dredging of the Chesapeake Bay and Baltimore harbor with federal dollars. This investment also accommodates a robust, diverse waterborne commerce sector in Maryland dependent on regular dredging to maintain the channel.

Marylanders built the railroads nearly 200 years ago to keep the Port of Baltimore competitive against larger ports, closer to the Atlantic. Baltimore's inland advantage, coupled with a robust rail network, helped offset the increased shipping costs to navigate up the Bay. Railroads play that same important role today.

To protect the national significance of the railroad, Congress has long preempted state taxes and fees of this nature. With the passage of Interstate Commerce Commission Termination Act of 1995("ICCTA"),[1] Congress eliminated concurrent state regulation of rail transportation with the express purpose to eliminate **"direct economic regulation of railroads by the states."**[2] ICCTA displaced state regulation with a uniform system of federal regulations. "Subjecting rail carriers to regulatory requirements that vary among the States" would undermine the system of national railroads.[3]

To this end, ICCTA vests the Surface Transportation Board ("STB") with exclusive jurisdiction over rail transportation operations. This exclusive jurisdiction covers "transportation by rail carriers . . . with respect to rates, classifications, rules . . ., practices, routes, services, and facilities

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[1] 49 U.S.C. §10101, *et. seq*,
[2] *PCS Phosphate Co. v. Norfolk S. Corp.*, 559 F.3d 212, 219 (4th Cir. 2009) (emphasis added); *see also* H.R. Rep. 104-311, at *96 (1995), *reprinted in* 1995 U.S.C.C.A.N. 793, 807 (noting that §10501(b) was enacted "to reflect the direct and complete pre-emption of State economic regulation of railroads").
[3] S. Rep. 104-176, at *6 (1995).

of such carriers" and expressly "preempt[s] the remedies provided under . . . State law."[4] As courts have recognized, "[i]t is difficult to imagine a broader statement of Congress' intent to preempt state regulatory authority over railroad operation."[5]

A state law is preempted by ICCTA if it falls into one of three categories. First, a state law is expressly preempted if it "may reasonably be said to have the effect of 'managing' or 'governing' rail transportation."[6] Second, state laws that "discriminate against rail carriers" are impliedly preempted.[7] Third, any state rule that "unreasonably burden[s] rail carriage" is impliedly preempted.[8] Under all three categories, ICCTA categorically preempts MD SB 882.

First, MD SB 882 plainly has "the effect of managing or governing rail transportation." The bill "governs" rail transportation because it assesses a "coal transportation fee" the moment a railroad transports coal in the State of Maryland. And the law's effect is neither remote nor incidental. The charge is directly imposed on railroads merely for transporting coal and the amounts are substantial—approximately $335 million based on total volume of coal at the Port of Baltimore in 2024. Second, MD SB 882 also "discriminates" against rail carriers because railroads predominantly move more coal than other modes of transportation (i.e. trucks, ships, barges). Finally, MD SB 882 unreasonably burdens rail transportation by imposing onerous fees that railroads do not face in other jurisdictions. As courts have long held, "economic regulation" is ICCTA preemption's "core."[9]

Absent ICCTA, every state, city, or municipality in which CSXT's approximately 20,000-mile rail network is located could seek to impose varying transportation "fees" based on any number of conflicting local rules or requirements. This type of legal balkanization would result in a burdensome and inconsistent patchwork of state and local economic regulations governing rail transportation—the precise outcome Congress enacted ICCTA to prevent.

State taxes and fees of this nature are also preempted by the Railroad Revitalization and Regulatory Reform Act of 1976 ("4-R Act") because they discriminate against rail transportation.[10] To remove the "temptation to excessively tax" railroads "to subsidize general welfare spending," the 4-R Act prohibits state and local tax schemes that discriminate against railroads.[11]

For these reasons, CSX respectfully requests the committee to issue an unfavorable report on SB 882. Thank you for your consideration.

Very truly yours,

Brian W. Hammock

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[4] 49 U.S.C. § 10501(b).
[5] *CSX Transp., Inc. v. City of Sebree*, 924 F.3d 276, 283 (6th Cir. 2019).
[6] *Norfolk Southern Rail. Co. v. City of Alexandria*, 608 F.3d 150, 158 (4th Cir. 2010).
[7] *Id.* at 160.
[8] *Id.*; *see also Edwards v. CSX Transp., Inc.*, 983 F.3d 112, 121 (4th Cir. 2020).
[9] *Fayus Enters. v. BNSF Ry. Co.*, 602 F.3d 444, 451 (D.C. Cir. 2010).
[10] Pub. L. No. 94-210, 90 Stat. 31.
[11] *W. Air Lines, Inc. v. Bd. of Equalization of S.D.*, 480 U.S. 123, 131 (1987).

SUSAprUNBR125022412420.pdf
Uploaded by: Walter Smith
Position: UNF

Heidelberg Materials

Heidelberg Materials North America
Heidelberg Materials US Cement LLC/North
675 Quaker Hill Road
Union Bridge, MD 21791
Phone (410) 386-1210

Senator Brian Feldman
Chair, Education, Energy, and the Environment Committee
Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

February 27, 2025

RE: Senate Bill 882 - Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)

Position: UNFAVORABLE

Dear Chair Feldman:

Heidelberg Materials **opposes** Senate Bill 882, which establishes a new transportation tax on carriers of coal in Maryland. As introduced, Senate Bill 882 would serve to increase manufacturing costs in the cement and construction material industries in our state and ultimately frustrate progress made towards decarbonization in the cement industry.

Heidelberg Materials is a leading supplier of construction materials in North America. Our core activities include the production of **cement** and aggregates, as well as ready-mixed concrete, asphalt, and other downstream cement products. The Union Bridge, MD plant dates to 1909, and Heidelberg Materials has supplied the cement supporting Maryland's critical infrastructure needs for nearly 120 years. The Union Bridge plant employs approximately 165 people year-round, and **the facility supplies roughly 65 percent of the cement used throughout Maryland**.

The Cement Making Process

Cement is the primary ingredient in concrete, the world's most consumed building material and additionally most consumed consumer product by volume, only behind water. Despite this, many are not familiar with the process of making cement. Cement is created through an energy-intensive process by which **extreme heat** (approx. 2,500 – 2,700 degrees Fahrenheit) is used to convert limestone and other raw materials into clinker. This material is combined with gypsum, limestone and other materials that are ground, mixed, and blended to ultimately comprise cement. This reactive material is chemically and physically similar to that used in the Roman era. Because of the **significant amounts of thermal energy** needed to produce the physical and chemical conditions required, the process of making cement is not presently a feasible candidate for electrification.

Without a reliable supply of coal as traditionally used, or the addition of natural gas, which can be used to produce cement with a lower CO2 output, coal remains today as our plant's only economically viable provider of the thermal energy required by the cement making process.

Negative Effect on Greenhouse Gas Reduction Goals

Recognizing the role of cement production in global greenhouse gas emissions, Heidelberg Materials began implementation of a carbon roadmap that commits to carbon neutral concrete by 2050 at latest. From 1990 to 2021, Heidelberg Materials reduced our global specific net CO2 emissions by 25% to 565 kg CO2 per tonne of cementitious material. In May 2022, we again substantially tightened our emission reduction target. By 2030, our goal is to reduce specific net CO2 emissions to 400 kg/t of cementitious material. Compared to the base year 1990, this corresponds to a reduction of almost 50 percent. Since 2000 **for the Union Bridge facility**, CO2 emissions have **reduced** from over 800 kg/t **to less than 650 kg/t** showing great progress but also underscoring the opportunity at hand for further reduction.

Heidelberg Materials is committed to supporting Maryland's carbon emissions reduction targets in Maryland's Climate Pollution Reduction Plan**. We have already begun the process of navigating the financial and regulatory challenges of replacing the use of coal with natural gas at our Union Bridge plant**. The State's 2023 Climate Pollution Reduction Plan pointed out that the cement industry in Maryland has already made strides towards decarbonization and has already factored this project's impact into the state's prospective emissions reductions[1]. On completion, **conversion to natural gas would immediately reduce annual CO2 emissions in the state by approximately 335,000 tons per year** representing a 20% decrease in site specific emissions.

Additionally, further efforts related to lower CO2 **alternative fuels** (including biomass) and incorporation of supplementary cementitious materials to further lower CO2 intensity are underway but will require further support to gain widespread acceptance as important drivers of reduced emissions.

Competitive Impact on Maryland Industry

Provisions of Senate Bill 882 would impose a tax of $13 per short ton of coal transported in Maryland. This new tax would result in a **significant financial impact on production costs at the Union Bridge plant**. Preliminary economic analyses indicate that two key production inputs for our process would be impacted by this fee – both electricity and fuel. As a result, this production cost impact would translate into substantial revisions to planned state expenditures in transportation, infrastructure, and aspects of the construction market, including commercial non-residential as well as residential construction. Based on the **state's consumption of 1.16 million short tons** of cement in 2023, SB 882 would have caused more than **$30,000,000 in total increased construction costs** in our state across all suppliers during that year. Those fiscal impacts would only grow in impact to both the Maryland economy and taxpayers in the coming years

[1] "Within the industrial fuel use sector, emissions were evenly split between coal, oil, and natural gas in 2020. Practically all of the coal used in the industrial sector is used by two cement manufacturing plants while almost all of the oil and gas is consumed by non-cement industries. Switching industry to cleaner fuels or electricity is an important part of decarbonizing this sector. The largest of the two cement manufacturing plants in Maryland is currently working to replace coal with natural gas while the other plant is considering a replacement of coal with refuse-derived fuel. These two fuel-switching projects are included in the emissions modeling for this sector." Page 44, Maryland's Climate Pollution Reduction Plan - Final - Dec 28 2023.pdf

Given the highly competitive demand for cement on a global scale, increases in production costs of product manufactured in Maryland may lead to increased demand for cement produced in other countries, which do not have a similar fee structure in place. Furthermore, Senate Bill 882 may ultimately result in the unintended consequence of construction in **Maryland contributing to increased global CO2 emissions**, as construction projects **would likely be driven to source cement from cheaper and less-regulated production processes in other states and countries**.

We are focused on reducing our carbon emissions and are committed to working with the State of Maryland to accomplish this substantial task. The transportation tax established by Senate Bill 882 provides significant financial and economic uncertainty for our industry, resulting in diverted demand away from cement produced in Maryland, frustrating the steps that our industry has undertaken to reduce carbon emissions in this state.

As previously stated, we believe that imposing a coal transportation tax in Maryland could adversely impact progress (especially near-term) in decarbonization of the cement industry in Maryland. Both facilities in Maryland produce essential construction material supporting the economy of the state, and we reiterate the importance of supporting our transition to decarbonization.

We request that these concerns be considered and appreciate the opportunity to offer any follow-up you may require. We remain willing to work with this committee on any efforts to reduce carbon emissions in the production process of cement.

Sincerely,

Walter Smith
Plant Manager, Union Bridge
Heidelberg Materials North America

HB 1088 Letter of Opposition_Deep Creek Resources
Uploaded by: William McFadden
Position: UNF

WILLIAM MCFADDEN
DEEP CREEK RESOURCES, LLC

william.mcfadden@deepcreekcfe.com

68 Round Beach Circle Drive
Swanton, MD 21561

February 27, 2025

The Honorable Marc Korman
Chair, Education, Energy, and the Environment Committee
250 Taylor House Office Building
Annapolis, MD 21401

Re: Letter of Opposition – House Bill 1088 - Coal Transportation Fee and Fossil Fuel Mitigation Fund

Dear Chair Korman and Committee Members:

I am writing this letter to communicate my opposition to House Bill 1088, as it would put the Port of Baltimore at a competitive disadvantage and thus detrimentally impact the hardworking men and women from Maryland who make their living in the coal mining industry and in all of the industries which are part of the coal export supply chain to include those working on the railroads which service the port of Baltimore and in the port itself.

House Bill 1088 sends a troubling message to the coal industry supply chain by imposing a fee on the transportation of coal through the State of Maryland exported internationally through the Port of Baltimore. In 2024, the Port of Baltimore exported nearly 25.7 million tons of coal. House Bill 1088 would require port exporters to pay approximately $334 million in additional transportation fees on coal exports annually which is $13 per ton. Such a fee cannot be borne by any of the entities along the coal supply chain nor can it be passed along to the customer and still allow coal exported from Baltimore to be competitive with coal exported from other areas of our country, not to mention coal exported from other countries.

For the Port to remain the successful economic engine it has proven to be, Maryland cannot afford to be at a competitive disadvantage with our neighboring ports. Should this fee be levied, coal exported from Baltimore will disappear as will all of the good Maryland jobs which support this business which has been going on for over a century. Thus, I am strongly urging the Committee to remove this coal supply chain job killing fee from grant House Bill 1088.

Sincerely,

William J. McFadden
President
Deep Creek Resources, LLC

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Position: INFO

SB882 Coal Transportation Fee and Fossil Fuel Mitigation Fund
(Coal Dust Cleanup and Asthma Remediation Act)

Senate Education, Energy, and the Environment Committee
Chair: Senator Brian Feldman; Vice-Chair: Senator Cheryl Kagan

Testimony from:
Elizabeth Price, Senior Research Assistant, University of Maryland Center for Environmental Science (UMCES)

Good afternoon, Chair Feldman and members of the committee. Thank you for this opportunity to provide informational testimony on SB882.

UMCES Professor Lisa Wainger and I analyzed whether the proposed coal transport fee had the potential to divert coal exports from Baltimore to ports in other states. Specifically, we examined the costs of switching from Baltimore to the Port of Virginia, which has coal terminals in Norfolk and Hampton Roads, and handled some of Baltimore's coal during the port shut down last year due to the Key Bridge collapse.

As background, the majority of coal exported from Baltimore comes from the coal mining region of Northern Appalachia. We also heard from some sources that some coal exports from Baltimore may originate from Central Appalachia, but that the total volume was likely to be low due to higher transport distances.

We analyzed transportation distances using a spatial network analysis that identified the shortest distance from mine origin points to port destination points along rail networks. We compared distances and costs under current conditions and under conditions where rail lines in Maryland were blocked, to mimic travel if shipments were routed to avoid the fee. See Figure 1 for an example.

Figure 1. Routes from example Pennsylvania mine to the Port of Baltimore (orange line) and the Port of Virginia avoiding Maryland (blue line) on the CSX network. In this example, the route that avoids Maryland is 462 miles longer. For a similarly positioned mine that only had access to the Norfolk Southern network (not shown), the distance increased by 665 miles.

The key findings from our analysis are the following:

1. **No port diversions expected from the Northern Appalachian Coal Region**. This region includes Ohio, western Pennsylvania, and northern West Virginia. Maryland mines were excluded since they cannot avoid the fee. Most coal exported through Baltimore currently comes from this region. Diverting exports from Northern Appalachia to the Port of Virginia would increase transportation distances by an average of almost 600 miles and raise costs by an estimated $27.40 per short ton (see Figure 2 for the distribution of costs per mine), which is more than double the proposed fee of $13. The median increased cost per mine is about $1 million, and total costs per mine ranged from $1,600 to $53 million after accounting for coal volumes.

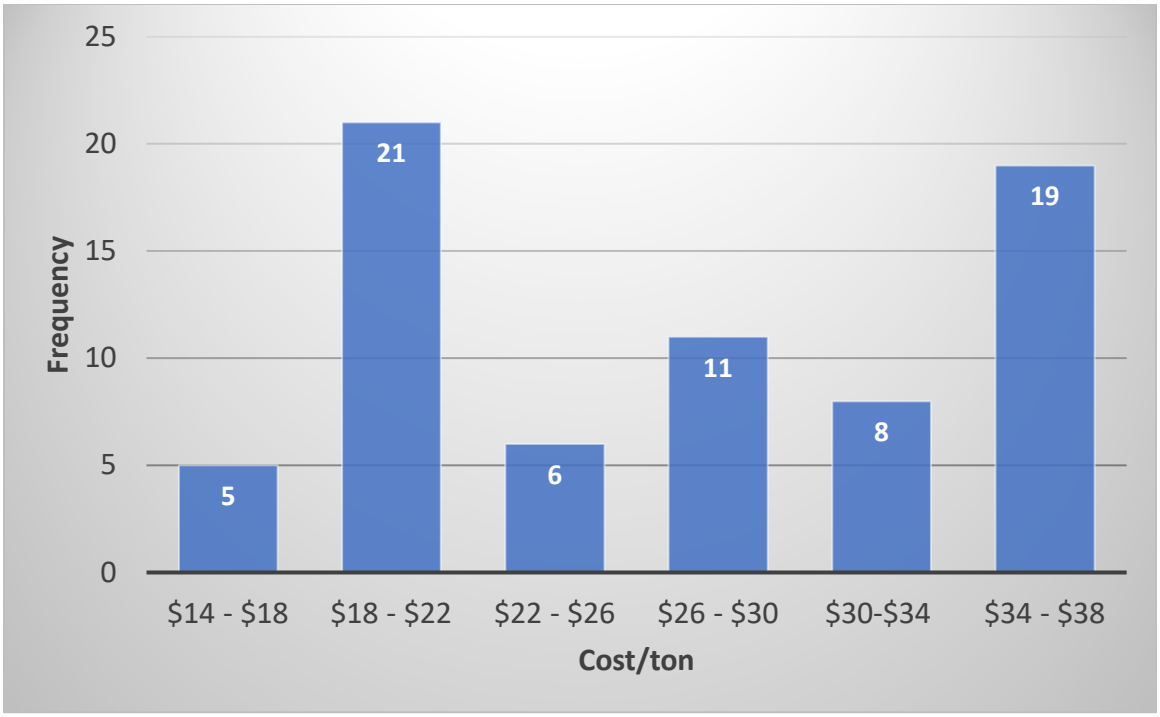

Figure 2. Frequency histogram of change in transport costs per ton per mine for Northern Appalachia (n = 70) due to increased distance when the destination port is switched from Baltimore to Virginia. The number of mines that would experience the range of costs/short ton shown is labeled in the blue bar.

2. **A small volume of coal coming to Baltimore from the Central Appalachian Coal Region is most likely to be diverted to the Port of Virginia**. This region includes Eastern Kentucky, Virginia, southern West Virginia, and northern Tennessee. Even without the fee, mines in this region have shorter travel distances and lower estimated costs to use the Port of Virginia. Travel savings without the fee range from $0.66 - $3.69 per ton delivered, and are $13.66 - $16.69, with the fee. Since the distances to Baltimore are greater to Baltimore compared to the Port of Virginia, only small volumes of coal are expected to be affected by the fee, based on publicly available information.

3. **Increasing transportation costs could reduce coal export volumes from Baltimore, if mines have to increase prices**. We estimate that the fee would raise the average cost of transporting coal to Maryland from about $25 to $38 per ton, a roughly 50% increase. Given that the $13 fee would be about 18% of the estimated $70 per ton selling price of coal exported from Baltimore, mines could struggle to remain competitive in the global market. If these mines cannot offer coal on the global marketplace at competitive prices, exports from the Port of Baltimore could decline.

Thank you.

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Position: INFO

MARYLAND DEPARTMENT OF TRANSPORTATION

Wes Moore
Governor
Aruna Miller
Lieutenant Governor
Paul J. Wiedefeld
Secretary

February 27, 2025

The Honorable Brian J. Feldman
Chair, Senate Education, Energy, and the Environment Subcommittee
2 West Miller Senate Office Building
Annapolis, MD 21401

Re: Letter of Information – Senate Bill 882 - Coal Transportation Fee and Fossil Fuel Mitigation Fund

Dear Chair Feldman and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on Senate Bill 882, which would impose a $13 per ton fee on the transportation of coal in Maryland. MDOT offers the following information on the bill for the Committee's consideration.

MDOT generally is supportive of more funding available to address climate change impact. However, the passage of SB 882 could put the Port of Baltimore, or Port, at a considerable competitive disadvantage when compared to neighboring ports by increasing overall shipping costs. This could lead to a loss of cargo tonnage and family-supporting jobs at the Port.[1] It could also negatively affect the prioritization of and investment in our federal navigation channels.

As one of the oldest and busiest ports in the United States, the Port of Baltimore has a long history of delivering economic prosperity through trade. It has grown significantly in just the last 20 years, repeatedly breaking cargo tonnage records and bolstering economic growth in Maryland. Despite a challenging year in 2024, the Port's public and private marine terminals handled 45.9 million tons of cargo, including 25.7 million tons of coal. The large amount of maritime commerce that Baltimore handles positions it as a critical international gateway for our region and our nation. This also serves as an important metric for the U.S. Army Corps of Engineers' assessment, within a complex evaluation process, to demonstrate and justify the need for ongoing operation and maintenance of the federal channels. This potential loss of cargo, changes in vessels calls, or changes in the use of our marine terminals can trigger modifications in federal operation and maintenance dredging requirements and result in the loss of federal funding toward channel investments for the Port.

Dredging makes it possible for some of the largest vessels in the world to do business in Maryland, while the ongoing operation and maintenance of more than 130 miles of federal

[1] The Port of Baltimore generates more than 20,000 direct jobs, with over 273,000 jobs in Maryland linked to Port activity.

navigation channels drives long-term investments and business decisions for ocean carriers calling the Port.

The Maryland Department of Transportation respectfully requests the Committee take this information into consideration during its deliberation of Senate Bill 882.

Respectfully Submitted,

Jonathan Daniels
Executive Director
Maryland Port Administration
410-385-4401

Matt Mickler
Director of Government Affairs
Maryland Department of Transportation
410-865-1090