

Kim Coble Executive Director March 11, 2025

2025 Board of Directors SUPPORT: HB1088- Coal Transportation Fee and Fossil Fuel Mitigation Fund (Coal Dust Cleanup and Asthma Remediation Act)

Patrick Miller, Chair
The Hon. Nancy Kopp,
Treasurer
Kimberly Armstrong
Caroline Baker
Joe Gill
Lynn Heller
Charles Hernick
The Hon. Steve Lafferty
Bonnie L. Norman

Chairs Korman, Wilson and Members of the Committees:

Maryland LCV and the undersigned organizations support the Coal Dust Cleanup and Asthma Remediation Act and thanks Delegate Stein 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 plan¹ - 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 <a href="University">University</a> of California - <a href="Davis">Davis</a> and the Johns Hopkins University</a>) 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.

<sup>&</sup>lt;sup>1</sup>https://mde.maryland.gov/programs/air/ClimateChange/Maryland%20Climate%20Reduction%20Plan/Maryland%27s%20Climate%20Pollution%20Reduction%20Plan%20-%20Final%20-%20Dec%2028%20203.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

Mountain Maryland Movement

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