



LEGISLATIVE POSITION:

Unfavorable

**House Bill 340 - Attorney General – Climate Change Actions – Authorization
Health and Government Operations Committee
Tuesday, February 11, 2025**

Dear Chairwoman Pena-Melnyk and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce 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.

HB 340 seeks to authorize the Attorney General to investigate, commence, and prosecute or defend any civil or criminal suit or action that holds accountable a publicly traded entity that derives at least 50% of its revenues from coal, oil, or gas with a market capitalization greater than \$1 billion or its subsidiaries for unlawful conduct on the part of the entity or subsidiary that has contributed to climate change through fraud, deception, or any other mechanism.

The Maryland Chamber has serious concerns about the overly broad definition and use of “tortious or otherwise unlawful conduct that contributes to climate change,” particularly the term “inaction.” Almost every business, and even the average citizen, has or may at some point do something that would be considered contributing to climate change. Additionally, the bill provides no guidance on what actions constitute a violation and allows for such a broad interpretation of the law that virtually any business practice could be seen as a potential violation.

The provisions of HB 340 could expose Maryland-based energy companies to increased legal scrutiny, resulting in higher costs and reduced investment in energy infrastructure at a time when the state is working to encourage such development to help address our energy crisis. These additional burdens may also be passed on to consumers already facing increasing energy costs. Moreover, the uncertainty created by this bill could deter investment in emerging technologies vital to Maryland’s climate goals and economic stability.

This bill also allows for virtually unlimited funds to be used for outside counsel to support these prosecutions. This will lead to a massive drain on State finances for a potentially unlimited number of claims. With Maryland having passed an aggressive new statewide greenhouse gas emissions reduction plan during the 2022 legislative session and many businesses sharing concerns about the already-fragile state of global energy markets, the

Maryland Chamber of Commerce would urge the committee to not consider passing legislation that would make it even more difficult to foster economic growth in the State of Maryland.

For these reasons, the Maryland Chamber of Commerce respectfully requests an **Unfavorable Report** on **HB 340**.

