



HB0662 Procurement – Master Contracting - In Support with Amendment
Health and Government Operations

2/25 at 1:00 PM

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Maryland Climate Commissioner (for identification only – this is my own
testimony)

Chair Peña-Melnyk, Vice Chair Cullison, and Members of the Committee,

Thank you for the opportunity to testify today in support of HB0662, with an amendment to ensure that Maryland implements real fiscal accountability for climate-related spending. My name is Jennifer Laszlo Mizrahi, and I represent philanthropy as a Commissioner on the Maryland Commission on Climate Change (MCCC).

The Need for a Climate Cost Accountability Amendment

Maryland law §2–1304 already requires annual reporting on climate-related expenditures, gives no parameters for how to track spending. Thus, these reports lack transparency and accuracy. The 2024 report on [2024 State Spending on Greenhouse Gas Reduction in Maryland Report](#) shows that agencies counted entire program budgets as climate spending even when emissions reductions were incidental or secondary. This practice overstates climate investments, reduces public trust, and prevents informed decision-making.

Meanwhile, Maryland does not systematically track the costs of climate damages or resilience investments—an omission that leaves the state financially unprepared for increasing climate-related disasters. From extreme flooding to wildfire smoke impacts, climate-related damages cost Maryland taxpayers millions annually, yet these expenses remain unaccounted for in official state budgets.

Proposed Amendment to HB0662

To address these issues, I propose the following amendment to HB0662:

AMENDMENT TO HB0662¹

I ask you to insert the following new section into the bill:

Section X. Climate Fiscal Accountability Measures

(a) Climate Budget Tagging (CBT): The Department of Budget and Management (DBM), Comptroller and relevant procurement agencies shall implement a standardized Climate Budget Tagging (CBT) system to track climate-related expenditures. The CBT system shall:

1. Establish unique expenditure codes for programs specifically aimed at reducing greenhouse gas emissions;
2. Require agencies to report only the marginal cost of emissions reduction measures, excluding baseline expenditures for projects that would have occurred regardless of climate considerations;
3. Separate direct climate spending from incidental climate benefits to prevent misclassification of funds.

(b) Climate Damage and Resilience Cost Tracking:

1. The DBM shall develop and maintain a separate reporting category for climate-related damages and resilience investments within state financial reporting systems.
2. State agencies shall track and report all climate-related disaster response costs, including but not limited to:
 - Flooding and storm damage to state infrastructure;
 - Public health costs associated with extreme heat and air pollution;
 - Emergency response expenditures related to climate events;
 - Adaptation investments such as stormwater system upgrades, bridge reinforcements, and electrical grid improvements.

(c) Interagency Coordination and Public Reporting:

1. The DBM, in consultation with the Maryland Department of the Environment (MDE) and the Comptroller's Office, shall refine data collection methodologies for climate-related spending and damages.

2. The DBM shall publish an annual Climate Fiscal Accountability Report, detailing climate mitigation expenditures, resilience investments, and documented climate damages.
3. The report shall be made publicly available and presented annually to the General Assembly, Comptroller and the Maryland Commission on Climate Change (MCCC).

(d) Capacity Building and Implementation:

1. The DBM shall provide training to state procurement and finance officers on the application of CBT and marginal cost accounting.
2. Agencies shall integrate these fiscal accountability measures into procurement processes and budget planning cycles within one year of enactment.

Why This Amendment is Critical

This amendment ensures that Maryland taxpayers get a transparent, accurate accounting of climate-related spending. Without these changes, we risk continued overstatement of climate investments while ignoring the growing costs of climate disasters. Moreover, credible fiscal data strengthens Maryland's ability to hold fossil fuel companies accountable for climate damages through legal action, ensuring that polluters—not taxpayers—pay for the harm they cause.

Conclusion

Maryland faces serious budget challenges. If people wrongly believe that 10% of the state's budget is being spent solely on climate action, they may resist necessary investments. Conversely, if we fail to track climate-related damages, we will remain unprepared for future disasters. This amendment to HB0662 provides the transparency, accountability, and fiscal integrity needed to ensure Maryland's climate policies are both effective and financially responsible.

I urge the Committee to adopt this amendment and ensure that Maryland sets the gold standard for climate fiscal accountability. Thank you for your time, and I am happy to answer any questions.