



Maryland Energy Administration

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

FROM: MEA

SUBJECT: SB 373 - Environment - Regional Greenhouse Gas Initiative - Withdrawal (Restoring Energy Freedom Act)

DATE: February 19, 2026

MEA Position: UNFAVORABLE

The Regional Greenhouse Gas Initiative (RGGI) is Maryland's most successful multi-state program, delivering measurable economic, environmental, and public health benefits to residents across the State. Since joining the program, Maryland has used RGGI proceeds to reinvest in cost-effective energy efficiency programs, clean energy development, and targeted energy assistance for Maryland residents.

Economic Benefits: RGGI proceeds have served as a dedicated funding source that directly goes back into reducing energy bills and assisting households. Half of RGGI proceeds are directed to low-income bill assistance, while nearly one-third of RGGI funds are invested in energy efficiency programs that permanently reduce energy use. This not only improves housing quality, but lowers household electricity and heating bills, and reduces demand to the grid.

Climate Benefits: In 2024, Maryland led the nation in greenhouse gas emission reductions. These avoided emissions translate to reduced public health costs, lower climate-related infrastructure damage, and greater grid reliability under extreme weather conditions.

Community Benefits: The Maryland Smart Energy Communities Program also illustrates how RGGI delivers tangible, community-level benefits¹. These programs focus on planning and capacity building, energy efficiency upgrades, and transportation projects for local governments. These investments lower operating costs for counties and municipalities, freeing up local dollars for other essential services.

Withdrawing from RGGI would remove a proven, cost-effective tool for reducing energy burdens and managing emissions while providing no comparable alternative mechanism in statute. For the reasons listed above, MEA urges the committee to issue an **unfavorable report**.

¹ The Investment of RGGI Proceeds in 2023. The Regional Greenhouse Gas Initiative, July 2025.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison at landon.fahrig@maryland.gov or 410.913.1537.