



Testimony on HB 1199
Maryland Climate Crisis Equity Act
House Environment and Transportation Committee

Date: March 4, 2026

Position: SUPPORT

[Maryland Climate Partners](#) strongly supports **HB 1199**, which would direct the Maryland Department of the Environment to study the potential design and impacts of an economy-wide cap-and-invest program. As Maryland works to meet its statutory climate requirements while facing mounting fiscal constraints, this study is a prudent and necessary step toward identifying sustainable, equitable sources of climate investment.

Maryland Climate Partners is a coalition of twenty environmental, faith, consumer advocacy, and social justice organizations focused on ensuring equitable implementation of the Climate Solutions Now Act (CSNA). The coalition formed in 2021 to support the passage of bold climate legislation, and we continue to advocate for policies that ensure Maryland has the tools and resources necessary to meet its climate commitments while protecting affordability and advancing equity.

Maryland is already experiencing the accelerating impacts of climate change, including extreme heat, flooding, and rising sea levels. These impacts are placing growing financial pressure on households, local governments, and state agencies, even as Maryland faces a significant structural budget deficit. At the same time, [the Climate Pollution Reduction Plan](#) makes clear that achieving Maryland's climate mandates will require sustained investment—on the order of at least \$1 billion per year—to reduce emissions, build resilience, and protect public health. Without dedicated climate funding, Maryland will continue to rely on ad hoc resources while taxpayers shoulder the full cost of climate impacts.

HB 1199 does not create a new program or impose new costs; rather, it directs the state to carefully evaluate whether an economy-wide cap-and-invest program could help reduce greenhouse gas emissions while generating dedicated revenue for climate solutions. This study would examine potential program design, impacts on energy affordability and the broader economy, and options for reinvesting revenues in ways that advance Maryland's climate and equity goals.

Maryland already has experience with a sector-specific cap-and-invest approach through its participation in the Regional Greenhouse Gas Initiative, which has reduced power-sector emissions while generating funds to support energy efficiency, bill assistance, and clean energy investments. **HB 1199** would allow the state to assess—in a data-driven and transparent manner—whether a similar model could be effective if applied more broadly across the economy, and how such a program could be designed to avoid undue burden on households.

Equity must be central to this evaluation. Overburdened and underserved communities already face disproportionate exposure to climate pollution and climate-driven hazards and often have fewer resources to recover from extreme weather or rising energy costs. Without dedicated climate funding, these are the communities most at risk of being left out of climate mitigation and resilience investments. **HB 1199** appropriately directs the study to consider impacts on equity, affordability, and reinvestment, helping ensure that any future policy design prioritizes community resilience, lower energy costs, and public health benefits for those most affected by climate change.

At a moment when federal climate funding is increasingly uncertain and climate impacts are intensifying, it would be fiscally irresponsible not to explore durable, state-level funding options. **HB 1199** is a forward-looking, responsible step that will equip lawmakers with the information needed to make informed decisions about Maryland's climate and economic future.

We strongly urge a favorable report on **HB 1199**.