



Olivia Bartlett, Co-Lead, DoTheMostGood Maryland Team

Committee: Economic Matters

Testimony on: HB0033 - Climate Crisis and Education Act

Position: Favorable

Hearing Date: February 18, 2021

Bill Contact: Delegate David Fraser–Hidalgo

DoTheMostGood (DTMG) is a progressive grass-roots organization with more than 2500 members who live in a wide range of communities in Montgomery and Frederick Counties, from Bethesda near the DC line north to Frederick and from Poolesville east to Silver Spring and Olney. DTMG supports legislation and activities that keep all the members of our communities healthy and safe in a clean environment, uplifts residents in all our communities, and promotes equity across all communities. DTMG strongly supports HB0033 because it directly addresses reduction of the greenhouse gas (GHG) emissions that drive global warming and proposes to use the funds generated from a carbon fee to aid schools and impacted households.

Climate change is already here. Maryland already has nuisance flooding, high heat days, and storm surges on a regular basis. International experts have urged action on climate with increasing urgency in recent years for good reason: the consequences of not acting now will be very serious for our children and grandchildren. We must act now to move Maryland towards a renewable energy future.

HB0033 will establish the Climate Crisis Initiative in the Department of the Environment and the Climate Crisis Council to oversee an important and well-structured program to bring Maryland's plans for addressing the existential threat of climate change into line with the scientific recommendations of the most recent Intergovernmental Panel on Climate Change.

HB0033 will update Maryland's GHG goals to 60% reduction by 2030, net zero emissions by 2045, and net negative after that and will establish a progressively rising carbon fee on all fossil fuels brought into the state for combustion and on the sale or registration of new high-emission vehicles. In order to motivate emitters to decrease emissions, HB0033 will raise the carbon fee over time so households and industries have time to adjust and adopt less carbon-heavy practices. The fees will be used to fund implementation of the recommendations of the Kirwan Commission to improve education in Maryland, to provide rebates to low- to moderate-income households and employers to offset the impact of the fees, and to fund activities for GHG reduction and sequestration, improvements in resiliency, and promotion of a just economic transition in the state.

Research shows that carbon taxes effectively reduce GHG emissions and are the most efficient and effective way to curb climate change with the least adverse effects on the economy. In 2019, more than 3,000 U.S. economists, including 27 Nobel Laureates, signed a statement calling a carbon tax "the most cost-effective lever to reduce carbon emissions at the scale and speed that is necessary." Putting a price on carbon raises the incentive for industries to innovate and find ways to lower their emissions and changes the behavior of individual consumers. In addition to creating incentives for energy conservation, a carbon tax would put renewable energy sources, such as wind, solar, and geothermal, on a more competitive footing, stimulating their growth. As of 2019, carbon taxes have been implemented or scheduled for implementation in 25 countries, while 46 countries put some form of price on carbon, either through carbon taxes or cap and trade schemes.

Therefore, DTMG strongly supports HB0033 and urges a **FAVORABLE** report on this bill. HB0033 could be strengthened by applying the fee to electricity, adding a carveout for Regional Greenhouse Gas Initiative allowances, modifying the revenue distribution so that that low- and middle-income households will be better protected from economic impacts of the fee, and eliminating the restriction on passing the fee on to end-use consumers.

Respectfully submitted,

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