



Date 2/27/24	Hearing date	2/29/2024
BILL:	HB0516 - Climate Crisis and Environmental Justice Act of 2024	
POSITION:	SUPPORT	
COMMITTEE:	Economic Matters	
SPONSOR:	Delegate Diana M. Fennell	

Chairman Wilson, Vice Chair Crosby, and Distinguished Members of the Committee,

My name is Wandra Ashley-Williams and I serve as the Regional Director for Climate XChange Maryland. I am submitting testimony in support of **House Bill 516 - the Climate Crisis and Environmental Justice Act (CCEJ)** which would incentivize the reduction in fossil fuel CO2 emissions by putting a gradually increasing fee on fossil fuels at the point of entry in Maryland. In addition to its positive impact on climate and health, the fee will also generate billions of dollars to reinvest in Maryland's economy.

HB 516 supports the statewide greenhouse gas-emission reduction goal set by the Climate Solution Now Act of 2022 (CSNA) of 60% (over the 2006 level) by 2031, achieve 100 percent clean energy by 2035, and reach net zero emissions by 2045. While the CSNA is a great start, it is not enough. Revenue generating policies to fund projects such as those established by the CSNA need to be enacted. Accordingly, the Moore Administration plan lists a carbon fee as a funding mechanism that should be considered to help provide "at least \$1 billion annually to achieve the state's climate pollution reduction goals" and "support a rapid and equitable transition to a clean energy economy." HB 516 is the best funding solution to ensure that the state achieves its climate pollution reduction targets.

The annual average revenue generated from the CCEJ pollution fee is estimated to be an average of \$1.7 billion per year, amounting to \$17.7 billion between 2025–2034, for investment in clean energy infrastructure while providing protective benefits to Maryland's most vulnerable populations and trade-exposed small businesses. Main provisions and benefits of the HB 516 include:

- Establishing two separate funds for investing in green infrastructure and providing protective benefits to disproportionately affected households and employers.
- Gradually increasing the price of carbon pollution, which offers energy companies certainty for future planning, while including a no-pass through provision that protects consumers.
- Incentivizing locally produced renewable energy, which in turn creates jobs, economic vitality, and investments in public goods.

HB 516 retains two provisions for benefits to low-to moderate income households. One is a Rebate Fund that directs 50% of the revenue collected from the fossil fuel fee to protect low- to moderate-income and overburdened and underserved households. In alignment with the *Justice40 Initiative*, the other half of the revenue is directed to the Infrastructure Fund, which allocates 50% of the funds to communities historically pollution-burdened and underserved. In addition, as related to cost benefit, HB 516 allocates 5% of the revenue collected each year (estimated to be an average of \$75 million annually) to cover administrative costs including

properly staffing agencies responsible for implementing the policy such as the Maryland Department of the Environment and the Comptroller's Office.

Climate change is one of the greatest threats to our public health. Exposure to air pollution has been associated with many health effects. According to the Centers for Disease Control and Prevention (CDC), science has proven links between health conditions and the environment. For example, continuous exposure to fossil fuels and co-pollutants often leads to detrimental health effects, such as infant mortality, chronic bronchitis, heart disease and strokes. Poor air quality can trigger asthma attacks and elevated blood lead levels in children can cause developmental disabilities. One study found that in 2005, the national health burden of air pollution from carbon emissions was between 130,000 and 320,000 premature deaths per year, mostly due to emissions from generating electricity, vehicular exhaust, etc. [Another study projected that fossil fuels burned for home heating \(in 2005\) contributed to around 10,000 excess deaths each year in the U. S.](#) Vulnerable populations like the elderly and infants are also intensely at risk for heat-related illnesses during heat waves.

But there's another dimension to the dual issues of climate change and air quality: justice. The communities hardest hit by climate change, those on the metaphorical frontline of sea level rise and extreme heat in Maryland, are the same that have historically experienced the worst air pollution in the state. Targeted communities, such as urban areas, low and moderate-income communities, and communities of color are disproportionately harmed by air pollutants. To be clear, the fossil fuel companies will pay the fee, not Marylanders. [Big oil companies](#) have known about the negative effects of climate change from carbon dioxide emissions and co-pollutants since the 1970's. It's past time that they be held responsible for mitigating the destructive impacts to Maryland's lands, history, and economy, as well as to the health, traditions, and prospects of Maryland's people.

For these reasons and more, I urge a FAVORABLE REPORT on HB 516.

Respectfully submitted,

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Cc: Members of the Economic Matters Committee  
Members of the Environment and Transportation Committee