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Maine State Legislature Committee on Environment and Natural Resources February 24, 2025

Testimony of Conservation Law Foundation in Opposition to L.D. 495, An Act to Require Rules Designed to Reduce Climate Change to Include Estimates of the Reduction in Adverse Climate Effects and of the Cost to Consumers

Chair Tepler, Chair Doudera, and members of the Committee on Environment and Natural Resources, my name is Emily Green and I am the Director of Clean Mobility at the Conservation Law Foundation (CLF). CLF appreciates the opportunity to submit this testimony in opposition to L.D. 495.

CLF is a member-supported nonprofit advocacy organization working to conserve natural resources, protect public health, and build healthy communities in Maine and throughout New England. In Maine for almost four decades, CLF works to ensure that laws and policies are developed, implemented and enforced that protect and restore our natural resources; are good for Maine's economy and environment; and equitably address the climate crisis.

CLF urges the committee to vote ought not to pass on L.D. 495 because the proposed calculations are not additive and the bill would advance bad public policy.

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L.D. 495 would require the Department of Environmental Protection, "[w]hen adopting rules designed to reduce greenhouse gas emissions," to calculate the "costs associated with the reduction in greenhouse gas emissions, including the impact on the prices of gasoline, diesel fuel, electricity, heating oil and propane."

Assessments of costs associated with regulation is nothing new. But this approach to considering only costs without benefits, and considering the costs of action in isolation instead of by comparison to the costs of inaction, is unbalanced and biased against climate solutions. Moreover, L.D. 495 is unnecessary because the law already emphatically requires a balanced consideration of the costs of rules to reduce emissions of greenhouse gases.¹

In 2019, the Legislature enacted *An Act to Promote Clean Energy Jobs and to Establish the Maine Climate Council*, which established a framework for development and implementation of climate mitigation and adaptation solutions in the state. P.L. 2019, ch. 476 (emergency, effective

¹ This is in addition to cost analyses already required for *all* regulations. Maine's Administrative Procedures Act requires any agency adopting a rule that may have an adverse impact on small businesses to conduct an economic impact analysis, 5 M.R.S. § 8052(5-A), and requires a fiscal impact note for every rule proposed, 5 M.R.S. § 8063.

June 26, 2019). Maine's "Climate Law" mandated greenhouse gas emission reduction levels and created a Climate Council to update Maine's climate action plan with strategies to meet those mandatory reductions. *Id.* The Climate Law requires the Department of Environmental Protection to adopt rules "consistent with the climate action plan" to achieve the greenhouse gas emission reductions. 38 M.R.S. § 576-A(4)(A).

The Climate Law asserts-four times-that the climate action plan, and therefore the Department's implementing rules, must advance "cost-effective"² climate solutions. The Department's rules must account for "the cost-effectiveness of future gross greenhouse gas emissions reductions by each sector." 38 M.R.S. § 576-A(4)(B). The Climate Council must "quantitatively analyze and report on the technical feasibility and cost-effectiveness of each mitigation strategy" evaluated for the climate action plan, *id.* § 577(2), and the climate action plan must "address reduction in each sector in cost-effective ways . . ." id. § 577. The Climate Council's primary objective in developing the climate action plan which the Department must implement by rule is to "[p] ursu[e] cost-effective, technologically feasible and equitable greenhouse gas emissions reduction pathways and adaptation and preparedness strategies, informed by scientific and technical expertise." Id. § 577(7)(A). Other objectives include "[p]ursuing actions that minimize deleterious effects, including those on persons of low income and moderate income, to public health and the environment and that support economic sectors that face the biggest barriers to emissions reductions and creating, when feasible, additional employment and economic growth in the State, especially in rural and economically distressed regions of the State," id. § 577(7)(B), and "[s]upporting industries, technology and training that will allow workers and companies in the State to benefit from carbon reduction solutions through jobs and economic activity," id. § 577(7)(F).

In short, L.D. 495's proposed cost calculation would do nothing to enhance the rigorous economic analysis conducted by both the Climate Council and the Department before adoption of all greenhouse gas reduction rules.

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L.D. 495 appears designed to make the point that Maine's contributions to global greenhouse gas emissions and therefore climate change are relatively small, and therefore, Mainers should not have to pay for any associated costs of climate solutions (the bill's analyses would not include the myriad, quantifiable ways these solutions benefit Mainers).

The more greenhouse gases that are emitted, the worse climate change impacts will be.³ Conversely, every ton of greenhouse gases that is not emitted reduces the perils of climate change. Thus, every contributor of greenhouse gas emissions shares a responsibility to curb those emissions. Though climate change is a global problem, the globe is comprised of entities that collectively must all do their part to advance solutions. States play a particularly important role now, as the federal government recklessly and shortsightedly dismantles any policy or program

² Unlike the one-sided analysis of costs L.D. 495 proposes, "cost-effective" is commonly known to mean effective in relation to cost.

³ Intergovernmental Panel on Climate Change, *Climate Change 2021: The Physical Science Basis* (2021) at 28, available at <u>ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_FullReport_small.pdf</u>.

with even the whiff of a climate solution. This is precisely why Maine's Legislature enacted the Climate Law as emergency legislation in recognition of the "critical and pressing issues relating to the effects of climate change on the State, its communities and its environment and natural resources." P.L. 2019, ch. 476. Maine must not turn its back on the responsibility it proudly and rightly assumed just six years ago.

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Thank you for the opportunity to testify in opposition to L.D. 495. We urge the Committee to reject this bill.