

Maine Climate Action **NOW!**

To: Maine Legislature Committee on Health Coverage, Insurance and Financial Services

From: Ezra Sassaman, Advocacy Coordinator, Maine Climate Action Now

Date: May 20, 2025

Re: LD 1674, An Act to Require Insurers to Address Climate Risk in Their Business Activities (SUPPORT)

Senator Bailey, Representative Mathieson, and members of the Committee on Health Coverage, Insurance and Financial Services, my name is Ezra Sassaman. I live in Bar Harbor and represent Maine Climate Action Now! (MCAN), a coalition of seventeen organizations united by a desire for urgent action in response to the climate crisis.

Across the country, insurance companies have raised premiums, reduced coverage, or even withdrawn protections from areas that are especially vulnerable to storms and other natural disasters. These practices have made insurance less accessible and affordable for homeowners, renters, and businesses.

As we recently saw across Maine, winter storms in late 2023 and early 2024 caused massive flooding and destruction. My home island of Mount Desert Island experienced “massive destruction on a proportion never seen”, including lasting damage to the local Shore Path, flooding, road closures and blockages, destruction of beaches, damage to local small businesses, and damage to Bar Harbor’s Town Pier.¹

Although insurance companies’ own policies recognize natural disasters like storms and flooding are worsening by the year, they remain invested in the very companies that are making this problem worse by contributing to climate change.

With this background, LD 1674 makes several important strides:

- Requiring insurers doing business in Maine to be more transparent about how they are addressing the risk of natural disasters and other climate impacts
- Eventually requiring insurers to divest from fossil fuel projects, which will lessen risk for all policyholders in the insurer’s market. Fossil fuel projects will be progressively risky investments because they face increasing public distrust, competition from clean energy, ongoing lawsuits, and the potential to become stranded assets. The continuation of projects in this sector also threaten to worsen natural disasters, harming future insurance prospects for everyone.

For the above-stated reasons, we urge you to vote “ought-to-pass” on LD 1674. Thank you.

¹ Carrie Jones. “[Massive destruction on a proportion never seen](#)”. *Bar Harbor Story*. January 11, 2024. Accessed May 2, 2025.