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To: Joint Committee on Environment and Natural Resources

From: Andrew Blunt, Sierra Club Maine

Date: May 5, 2025

Re: **Testimony in Support of L.D. 1870:** An Act to Establish a Climate Superfund Cost Recovery Program to Impose Penalties on Climate Polluters

Dear Senator Tepler, Representative Doudera, and Members of the Joint Committee on Environment and Natural Resources,

I write on behalf of the Sierra Club Maine Chapter, representing over 22,000 supporters and members in Maine and 3.8 million members nationwide. Founded in 1892, Sierra Club is one of our nation's oldest and largest environmental organizations, and we're working diligently to combat climate change and promote a just and sustainable future for all people.

To that end, we urge you to vote "Ought to Pass" on L.D. 1870.

Climate change is at our doorstep. It is the severe storms and flooding that threaten residential property, public infrastructure, and our working waterfronts. It is the shifting seasons that are threatening our agricultural economy with unpredictable weather patterns and lasting droughts. It is the warming waters that threaten our coastal fisheries, the industry that for generations has been synonymous with Maine itself. This crisis is existential, and it is expensive. Last winter's storms caused \$90 million in damage to public infrastructure and untold more to private property.

It is clear that we need to adapt rapidly to keep our state's people, infrastructure, and natural environment safe and resilient, and that adaptation comes with a real cost.

So far, according to Strategy F of our State's Climate Action Plan, that cost across state and federal investments has been \$600 million since 2020.¹ That \$600 million to date has come out of taxpayer's pockets. When this legislature passed L.D. 1 "An Act to Increase Storm Preparedness for Maine's Communities, Homes and Infrastructure," earlier this session, we allocated another \$39 million to resiliency, repair, and preparation for future climate emergencies. That \$39 million is also taxpayer dollars, and only covers half of the amount of damage seen from one year's worth of winter storms.

Simply put, these costs are too much for Maine people to bear. We cannot predict what the future holds, but it is certain that these adaptation costs will continue to increase. And it's clear that Maine taxpayers should not, and can not, afford to continue funding our response to this crisis.

https://www.maine.gov/climateplan/sites/maine.gov.climateplan/files/2024-11/MWW_2024_Book_112124.pdf

But the corporations who caused this crisis can. In 2023, the fossil fuel industry earned a record \$2.7 trillion. Exxon Mobil, Chevron, Shell, and BP-four companies-earned a combined \$125 billion in PROFIT alone that year. Profit, not revenue. That means our climate adaptation efforts over the past five years, \$600 million, amount to less than half a percent of their profits in one year. For these companies, the cost of Maine's climate adaptation is a drop in the bucket.

It is well-recognized that the extraction and burning of fossil fuels has caused our climate crisis, and L.D. 1870 seeks to hold major polluters responsible for the damage that they have caused us here in Maine.

The process laid out in L.D. 1870 is relatively simple:

- 1. The State Treasurer will produce a detailed report of the financial impact of fossil fuel related climate pollution.
- The Maine Department of Environmental Protection (DEP) will then identify the largest emitters (those responsible for over 1 Billion metric tons of greenhouse gas emissions from 1995 - 2024) of that pollution and demand compensation in proportion to their share of emissions.
- 3. Payments from those large oil and gas corporations will be used to finance projects that protect Maine people and businesses from the devastating impacts of climate change.

This bill utilizes the same "make polluters pay" principle that was established by the original 1980 Superfund Act. This federal program has cleaned up toxic pollution at 1,512 sites since its inception, and has withstood decades of challenges in federal and state courts. That means that legally, L.D. 1870 is based on decades of strong precedent, and we can be confident that it will stand up in court.

Once the money is in hand, we are sure that Maine will spend it well. The bill sets out a Resilience Implementation Strategy that builds on the great successes of programs like the Community Resilience Partnership, which have shown us the power of community-led climate adaptation. This program would infuse that work with critical resources to make bold investments in towns and cities across Maine to keep our communities safe and healthy. It would also build on taxpayer-funded strategies like L.D. 1. The Strategy will include: adapting infrastructure to climate change, nature-based solutions to coastal resiliency, early response systems to react to climate-related threats, and practices that support economic and environmental sustainability throughout a changing climate.

We also encourage the Committee to report out L.D. 1870, not L.D. 1808. While similar, L.D. 1870 is a stronger proposal for five key reasons:

- 1. The "covered period" of emissions in L.D. 1870 is between 1995 and 2024, while L.D. 1808 is between 2000 and 2024;
- 2. L.D. 1870 includes a clause ensuring that the Attorney General's ongoing climate accountability lawsuit is not preempted by this legislation (Sec. §580-J.9 "Construction");
- 3. L.D. 1870 requires the DEP to use best available information, including, but not limited to, EPA data, while L.D. 1808 limits data to that available through the EPA, which is currently under severe transition;

- 4. L.D. 1870 requires 35% of all funds to be directed to environmental justice communities;
- 5. L.D. 1870 permits using the Climate Superfund to reimburse the General Fund for establishment and implementation costs of the program

L.D. 1808 does, however, include strong environmental justice provisions that we encourage the committee to consider.

Major fossil fuel companies have polluted our planet for decades–L.D. 1870 is our chance to make them pay their fair share to fix it here in Maine. For the above reasons, we urge an 'Ought to Pass' vote on L.D. 1870.

Sincerely,

Andrew Blunt Sierra Club Maine Chapter Legislative and Political Strategist