

Meeting the Moment: Maryland's Strategic Response to Federal Rollbacks



Maryland
Department of
the Environment

Mitigation Working Group
July 29, 2025

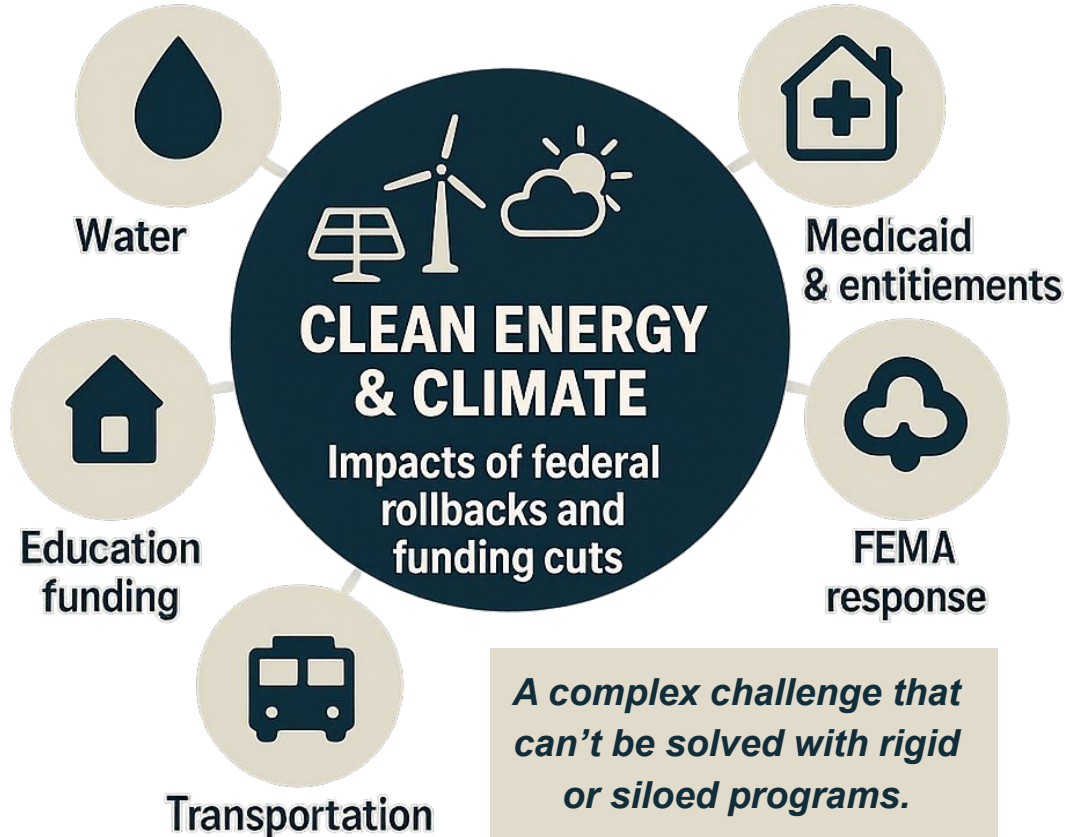


Outline

- Statewide impact of federal rollbacks
- Compounding impact of the Big Beautiful Bill
- A strategic response demands flexibility and innovation



Federal actions hit across Maryland programs



**Systematic
regulatory hits**

**Key programs cut or
weakened across
state budget**

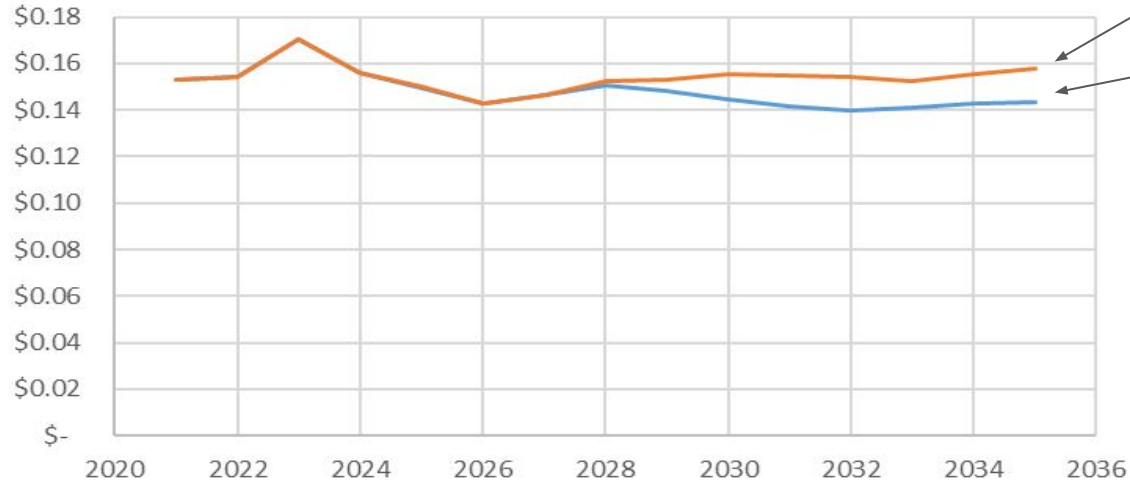
**Fewer federal tools
and growing
unpredictability**



Maryland energy prices face higher increases

- Tax credits eliminated for individuals and businesses (**EVs, residential clean energy & efficiency, charging equipment, wind manufacturing, clean electricity production**)

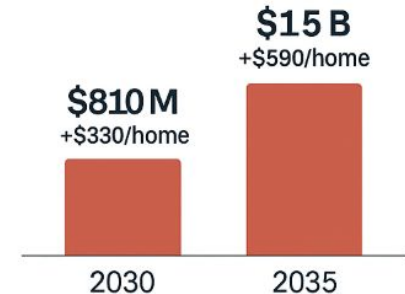
Residential Elec Rates



With the Big Beautiful Bill

Without the Big Beautiful Bill

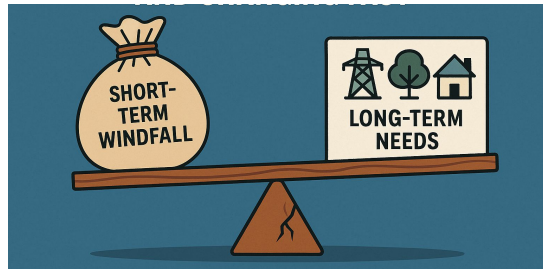
Maryland Energy Cost Impacts





Dynamic SEIF must remain flexible

- **SEIF revenues** are highly dynamic and market-driven
- **RGGI proceeds** expected to decline as emissions fall
- **ACPs surged** to \$318M in FY 24 — creating short-term gains but long-term uncertainty
- SEIF is a strategic asset, but its volatility demands flexible use—not sole reliance for long-term climate funding.





Maryland needs maximum flexibility– and more creativity

Flexible Tools

- Keep SEIF adaptable, nimble to meet shifting needs

Public-Private Partnerships

- Unlock private capital and scale innovation
- Leverage utility programs, green banks, and local incentives
- Reduce reliance on volatile state/federal funds

Creative Financing

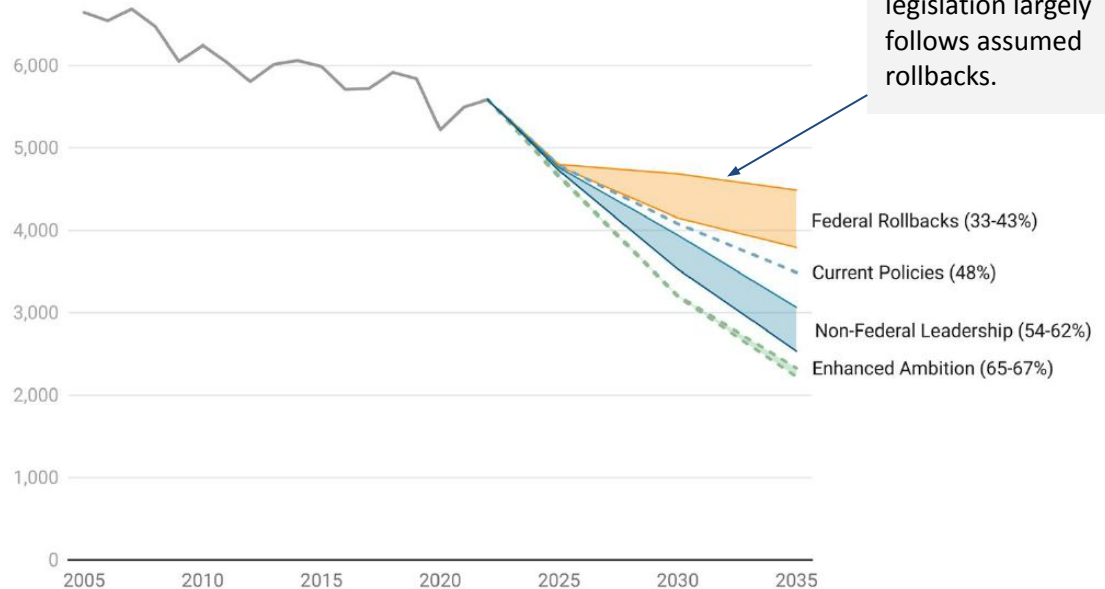
- Use bonds, philanthropy, and multi-state collaboration to fill gaps
- Focus on high-impact, equitable deployment

Non-federal leadership has the potential to counteract much of federal inaction or rollbacks and help achieve the U.S. NDC

Under enhanced non-federal actions and varying levels of federal climate policy rollbacks or inaction, **the United States could achieve 54-62% GHG emissions reductions by 2035**, making it possible to achieve the 2035 U.S. NDC.

However, if non-federal actors maintain existing policies under federal rollbacks, the U.S. could only **achieve 33-43% GHG reductions**.

Net Greenhouse Gas Emissions (MtCO₂e)



Zhao, A., K. O'Keefe, C. Squire, K. Ordonez Olazabal, A. Bryant, J. Snarski, M. Binsted, and R. Cui (2024). "U.S. Climate Pathways for 2035 with Strong Non-Federal Leadership". Center for Global Sustainability, University of Maryland.