



The dramatic increase in extreme weather events has been wreaking havoc on states across the country, from devastating fires, floods, and droughts to rising sea levels. As a member of the Board for the American Red Cross Pacific Coast Region, I have seen firsthand how the organization is responding to twice as many climate-related disasters as we were just a decade ago. As states shoulder the burden of recovery and rebuilding efforts, they are seeking ways to fund adaptation and mitigation costs to prevent these expenses from falling on already strapped taxpayers. This is the genesis of the “Make Polluters Pay” bills that are emerging across the country.

Often described as a “superfund for climate,” these bills would require the oil and gas sector to pay into a fund to cover costs related to their emissions. These bills are designed to function similarly to the federal Superfund law, which allows the Environmental Protection Agency (EPA) to seek funds retroactively from polluters to clean up contaminated sites. In this case, the bills would allow states to secure funds from fossil fuel companies for the costs of adaptation, mitigation, and cleanup of damages caused by their emissions.

California's Polluters Pay Climate Superfund Act Introduced:

Senator Caroline Menjivar (D-20) and Assemblymember Dawn Addis (D-30) introduced [SB 684](#) and [AB 1243](#), respectively, requiring the largest fossil fuel polluters to pay for the environmental and health damages suffered by Californians as a result of their emissions.

The bill would enact a Polluters Pay Climate Superfund Act of 2025 which would establish the Polluters Pay Climate Superfund Program. The California Environmental Protection Agency (CalEPA) would be the agency tasked with overseeing this effort. The agency would develop a list of responsible parties and conduct a climate cost study to determine damages, which would be reassessed every five years. The fund would be established based upon this study, requiring the responsible polluters to contribute based on their market share of emissions between 1990-2024. This Climate Superfund Fund would be created in the State Treasury. This fund would be utilized to cover adaptation, mitigation, and recovery response for the state's damages caused by climate change.

Senator Menjivar explained regarding SB 684:

“At the core of these disasters are the Californians whose lives and property have been destroyed. Many of whom were already experiencing financial uncertainty due to the rising costs of basic needs; food, housing, utilities, and transportation to work. We must be relentless and creative in pursuing all avenues to redirect the financial burden away from the consumer as we mitigate the consequences of human-made disasters.”

Assemblymember Dawn Addis commented on AB 1243:

“The Central Coast has faced the devastating impacts of climate change, from floods and wildfires to coastal erosion. This year's fires in Los Angeles serve as a stark reminder that collective inaction has catastrophic consequences for all Californians.”

The [California Natural Resources Agency's Fourth Climate Assessment](#) estimates that California will face at least \$113 billion in annual climate change costs by 2050. Beyond the financial toll, climate change also exacerbates health issues, including increased rates of asthma, heart disease, and other conditions.

Disadvantaged communities are hit first and worst by extreme weather events and climate-related disasters. These environmentally burdened communities already face significant health challenges, which are further compounded by climate-related disasters. To help alleviate this burden, 40% of the funds would be directed to disadvantaged communities.

Some of the initiatives this funding could support include additional resources for firefighters and first responders, financial aid for small businesses and homeowners to rebuild, upgrades to make schools more climate-resilient, distribution of air filters to combat pollution, assistance for local governments managing the impacts of sea level rise, and investments in clean jobs and green infrastructure projects.

The bill is co-sponsored by nonprofit organizations [California Environmental Voters](#), [Center for Biological Diversity](#), and [Campaign for a Safe and Healthy California \(CSHC\)](#). A bold and broad coalition is also building momentum of environmental nonprofits, community groups, health organizations, and concerned individuals across the state.

Successes in Other States:

Vermont – After catastrophic floods in the summer of 2023 that took lives and caused billions in damages, Vermont became the first state in the nation to pass a polluters-pay law. The legislation passed in May 2024, and Governor Phil Scott allowed it to go into effect without his signature. “I understand the desire to seek funding to mitigate the effects of climate change that has hurt our state in so many ways,” Scott, a moderate Republican in the largely blue state of Vermont, [wrote in a letter to lawmakers](#).

This polluter-pays model is based upon the federal Superfund Program. “Funds could be used by the state for such things as upgrading stormwater drainage systems; upgrading roads, bridges and railroads; relocating, elevating or retrofitting sewage treatment plants; and making energy efficient weatherization upgrades to public and private buildings,” [according to NPR](#). The state is currently in the process of creating the framework and methodology for implementing this new law.

New York – The Climate Change Superfund Act (also known as the “Polluters Pay” bill) was signed into law in December by Governor Kathy Hochul. According to the [Energy Justice Law & Policy Center](#), \$75 billion will be collected over the next 25 years to fund infrastructure adaptation and mitigation projects, such as public

health programs, cooling systems to combat extreme heat, flood and drainage system upgrades, urban greening initiatives, and ecosystem protection efforts.

During the bill signing, [Hochul said](#) “With nearly every record rainfall, heatwave, and coastal storm, New Yorkers are increasingly burdened with billions of dollars in health, safety, and environmental consequences due to polluters that have historically harmed our environment.”

A Few Notes on Out-of-State Efforts:

- Multiple States Considering Similar Laws—States including Maryland, Minnesota, and many more are at different stages of drafting similar legislation.
- Bipartisan Support— While not universally embraced, these bills are gaining *some* traction amongst **Republican and Democratic** elected officials throughout the country due to the mounting financial strain climate disasters place on state budgets.
- Expected Legal Challenges—Challenges are cropping up in courts around the country as these bills begin to pass. The American Petroleum Institute (API) recently filed [the first suit](#) regarding the Vermont law. Challenges have also been brought against the [New York law](#) by 22 attorneys general.

On the Federal Front:

Earlier this month Congressmembers Jerry Nadler (NY) and Judy Chu (CA) reintroduced the [Polluters Pay Climate Fund Act](#). This legislation would require the largest fossil fuel companies to pay into a \$1 trillion Polluters Pay Climate Fund. This fund would then be used to finance a range of efforts to address the impacts of climate change.

What Happens Next:

The California legislative session is just beginning, with bills currently being assigned to policy committees for review. These hearings are expected to take place in late March or April 2025. I will provide progress updates following these committee hearings.

In the meantime, a coalition of organizations and individuals is actively working to build momentum and amplify support for these efforts.

For more information or to get involved, please reach out.