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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND CLIMATE
SUPERFUND ACT OF 2025

Introduced By: Senators Ujifusa, Euer, Bell, Kallman, Valverde, Gu, Britto, DiMario,
Mack, and Sosnowski

Date Introduced: February 21, 2025

Referred To: Senate Environment & Agriculture

It is enacted by the General Assembly as follows:

1 SECTION 1. The general assembly hereby finds and declares all of the following:

2 (1) Climate change caused by the combustion of fossil fuels is an immediate and grave
3 threat to the people, environment, natural resources, and economy of the state.

4 (2) Rising sea levels and temperatures, extreme weather events, flooding, heat waves,
5 droughts, and other climate change effects have harmed or killed countless humans and other living
6 organisms.

7 (3) As a state with over four hundred (400) miles of coastline and an economy dependent
8 on tourism and marine trades, Rhode Island is especially vulnerable to economic and social harms
9 from climate change.

10 (4) All Rhode Islanders are adversely affected by climate change, but harms fall
11 disproportionately on seniors, children, low-income and minority communities.

12 (5) The state and municipalities have developed and implemented plans to counteract,
13 mitigate and prevent the adverse effects of climate change and must continue to do so to protect
14 the health and safety of Rhode Islanders.

15 (6) The costs of such plans and implementation have fallen and will continue to fall almost
16 exclusively on taxpayers.

17 (7) Laws must be passed to require contributions by those who most contributed to and
18 profited from causing climate change and who did so knowingly. These responsible parties are

1 large fossil fuel corporations.

2 (8) Fair shares from these corporations can be accurately determined by analyzing the
3 amounts of “greenhouse gas,” such as, but not limited to, carbon dioxide and methane, each
4 contributed to the environment.

5 (9) Chapter 6.3 of title 42 shall help the state and municipalities make polluters pay and
6 support other private and public efforts to hold them responsible.

7 SECTION 2. Title 42 of the General Laws entitled "STATE AFFAIRS AND
8 GOVERNMENT" is hereby amended by adding thereto the following chapter:

9 CHAPTER 6.3

10 RHODE ISLAND CLIMATE SUPERFUND ACT OF 2025

11 **42-6.3-1. Short title.**

12 This chapter shall be known and may be referred to as the “Rhode Island Climate
13 Superfund Act of 2025”.

14 **42-6.3-2. Definitions.**

15 For purposes of this chapter, the following terms shall have the following meanings unless
16 the context clearly requires otherwise:

17 (1) “Account” means the climate superfund account established pursuant to the provisions
18 of § 42-6.3-3(e).

19 (2) “Climate change” means the long-term shifts in temperatures and weather patterns due
20 primarily to the increased burning of fossil fuels like coal, oil and gas that have resulted in increased
21 extreme weather events, such as hurricanes and blizzards, and caused heat waves, draughts, wild
22 fires, and flooding.

23 (3) “Climate change response work” means planning, implementation, operation and
24 maintenance of projects designed to avoid, prepare for, moderate, repair, upgrade, relocate, restore
25 or otherwise adapt to the negative effects of climate change to protect people, the environment,
26 natural resources, and economy of the state. Such work includes, but is not limited to, work on:
27 coastal areas, stormwater drainage systems; infrastructure, such as roads, bridges, tunnels; mass
28 transit systems including buses, trains and boats; healthcare access and availability, including
29 hospitals; sewage treatment plants; public and private housing and shelters; businesses; Internet
30 broadband systems; energy services, including clean and sustainable options; forests; farms and
31 fisheries; and climate change effect predictive tools.

32 (4) “Cost recovery demand” means when the department informs a responsible party that
33 it is required to pay for climate change response work under the provisions of this chapter.

34 (5) “Covered greenhouse gas emissions” means the total quantity of greenhouse gasses

1 released into the atmosphere by a responsible party during the covered period, expressed in metric
2 tons of carbon dioxide equivalent.

3 (6) "Covered period" means the period that began January 1, 1990, to December 31, 2024.

4 (7) "Department" or "DEM" means the department of environmental management.

5 (8) "Director" means director of the department of environmental management (DEM).

6 (9) "Fossil fuel" means coal, petroleum products, bitumen, oil sands, heavy oil,
7 conventional and unconventional oil, shale oil, natural gas liquids, condensates, and related fossil
8 fuels and fuel gasses, including methane, natural gas, liquefied natural gas, and manufactured fuel
9 gasses.

10 (10) "Greenhouse gas" means any substance that causes or contributes to climate change
11 including, but not limited to, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons,
12 perfluorocarbons and sulfur hexafluoride.

13 (11) "Nature-based solutions" means projects that utilize or mimic natural processes and
14 functions.

15 (12) "Program" means the climate superfund cost recovery program set forth by this
16 chapter.

17 (13) "Qualifying expenditure" means funds authorized by DEM to be used to pay for
18 climate change response work.

19 (14) "Responsible party" means any entity and successor in interest to such entity described
20 herein, which, during any part of the covered period, engaged in the trade or business of extracting
21 or refining fossil fuels and is determined by the department to be responsible for more than one
22 billion (1,000,000,000) tons of covered greenhouse gas emissions.

23 **42-6.3-3. Cost recovery program.**

24 (a) By January 1, 2026, the department shall determine the climate change response work
25 done by the state since January 1, 2009, and costs of such work, and make a report available to the
26 public.

27 (b) By June 1, 2026, the department shall collect information from municipalities and
28 determine what climate change response work they have done and how much they have spent since
29 January 1, 2009, and make a report available to the public.

30 (c) The department shall determine proportional amounts owed by responsible parties for
31 climate change response work during the covered period based on widely accepted peer-reviewed
32 allocation analyses.

33 (d) The department shall issue demands within six (6) months of the completion of the
34 reports to responsible parties to recover funds spent by the state and municipalities as set forth in

1 the January 1, 2026 and June 1, 2026, reports produced pursuant to the provisions of subsections
2 (a) and (b) of this section.

3 (e) There is hereby established the climate superfund account in the state treasury. The
4 department shall accept and collect payments from responsible parties and deposit them into the
5 segregated account, and shall ensure that funds only be used for qualified expenditures pursuant to
6 this program.

7 **42-6.3-4. Liability of responsible parties.**

8 (a) A responsible party shall be strictly liable for a share of the costs of climate change
9 response work;

10 (b) When two (2) or more entities can be treated as a single entity under the provisions of
11 26 U.S.C. §§ 52(a) and 52(b), 26 U.S.C. §§ 414 (m) and 414(o), and 26 U.S.C. § 1563, without
12 regard to the provisions of 26 U.S.C. § 52 (c), they shall share joint and several liability within their
13 collected group, and be treated by the department as a single entity for the purposes of identifying
14 responsible parties.

15 (c) Except as provided in subsection (d)(1) of this section, a responsible party shall pay the
16 amount demanded in full not later than six (6) months following the director's issuance of the cost
17 recovery demand.

18 (d)(1) The director may implement an installment payment plan but no adjustments shall
19 be allowed if the amount demanded is less than one-tenth of one percent (0.1%) of the average total
20 profits of a responsible party over the past five (5) years.

21 (2) The director shall charge reasonable interest on each delayed payment.

22 (3) The unpaid balance of all remaining installments shall become due immediately if:

23 (i) The responsible party fails to pay any installment in a timely manner, as specified in the
24 rules and regulations of the department;

25 (ii) The responsible party ceases to do business; or

26 (iii) There is a sale of substantially all the assets of a responsible party, then the buyer
27 assumes liability in the same manner as if the buyer were the responsible party.

28 (e) A responsible party aggrieved by the issuance of a notice of cost recovery demand shall
29 be entitled to a hearing in accordance with chapter 35 of title 42 (“administrative procedures”) by
30 filing a request for reconsideration with the director within thirty (30) days following issuance of
31 the notice of cost recovery demand. A request for reconsideration shall state the grounds for the
32 request and include supporting documentation. The director shall notify the responsible party of
33 the date and time of the hearing as well as the final decision by issuing a subsequent notice of cost
34 recovery demand. A responsible party aggrieved by the issuance of a final notice of cost recovery

1 demand may appeal the final notice to the superior court by filing a complaint with the reasons of
2 appeal within twenty (20) days of receipt of the final decision.

3 **42-6.3-5. Implementation.**

4 (a) The department is authorized to promulgate rules and regulations necessary to
5 implement the provisions of this chapter and shall, within one year of the effective date of this
6 chapter, adopt regulations defining work eligible for funding.

7 (b) Nothing in this chapter shall be construed to supersede or diminish in any way any other
8 remedies available to any person or government entity, under common law or statute.

9 (c) The department may prescribe, adopt, and enforce any emergency regulations as
10 necessary to implement, administer, and enforce its duties under this chapter.

11 (d) To pay for initial analyses of climate change response work, the department shall
12 require responsible parties to pay a proportional share of that amount no later than September 1,
13 2025.

14 **42-6.3-6. Enforcement.**

15 (a) The department shall have the authority to enforce the requirements of this chapter and
16 to collect penalties for late payment of the cost recovery demands pursuant to this chapter. The late
17 penalty shall accrue daily, assessed at the rate of ten percent (10%) per annum on the amount
18 remaining due.

19 (b) This chapter does not preempt, displace, or restrict any rights or remedies of the state,
20 units of local government, tribal governments, or individuals or groups brought under common law,
21 state or federal law.

22 (c) This chapter does not preempt or supersede any state law or local ordinance, regulation,
23 policy, or program that does any of the following:

24 (1) Limits, sets, or enforces standards for emissions of greenhouse gases;

25 (2) Monitors, reports, or keeps records of emissions of greenhouse gases;

26 (3) Collects revenue through fees or levy taxes; or

27 (4) Conducts or supports investigations.

28 **42-6.3-7. Severability.**

29 If any word, phrase, clause, sentence, paragraph, section, or other part of this chapter shall
30 be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect,
31 impair, or invalidate the remainder thereof, but shall be confined in its operation to the word, phrase,
32 clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which
33 such judgment shall have been rendered.

1 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND CLIMATE
SUPERFUND ACT OF 2025

1 This act would establish the Rhode Island Climate Superfund Act cost recovery program
2 to be administered by the Rhode Island department of environmental management to recover funds
3 from entities that extracted or refined fossil fuels and were responsible for more than one billion
4 (1,000,000,000) tons of covered greenhouse gas emissions.

5 This act would take effect upon passage.

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