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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND CLIMATE
SUPERFUND ACT OF 2026

Introduced By: Representatives Boylan, Handy, Knight, McGaw, Bennett, Potter,
Fogarty, Spears, and Speakman

Date Introduced: January 07, 2026

Referred To: House Environment and Natural Resources

It is enacted by the General Assembly as follows:

1 SECTION 1. Legislative findings and purpose.

2 The general assembly hereby finds and declares the following:

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

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

8 (3) Beginning decades ago, major fossil fuel producers engaged in conduct they knew or
9 reasonably should have known would cause or contribute to climate-change-related damages,
10 including sea level rise, storm intensification, and heat impacts.

11 (4) As a state with over four hundred (400) miles of coastline and an economy dependent
12 on tourism and marine trades, Rhode Island is especially vulnerable to economic and social harms
13 caused by climate change.

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

16 (6) The state and municipalities have developed and implemented plans to counteract,
17 mitigate, and prevent the adverse effects of climate change and must continue to do so to protect
18 the health and safety of Rhode Islanders.

1 (7) The costs of such plans and implementation have fallen and will continue to fall almost
2 exclusively on taxpayers.

3 (8) The fossil fuel companies whose products caused or contributed to climate-change-
4 related damages should bear a fair and proportionate share of the costs necessary to respond to
5 those harms, consistent with the well-established “polluter pays” and Superfund principles.

6 (9) This Act is a remedial cost-recovery measure that compensates public entities for
7 expenditures made necessary by the conduct of responsible fossil fuel companies.

8 (10) Fair shares from these corporations can be accurately determined by analyzing the
9 amounts of “greenhouse gas emissions,” including, but not limited to, carbon dioxide and methane,
10 attributable to their extraction or refining of fossil fuels.

11 (11) Chapter 6.3 of title 42 shall assist the state and municipalities in making polluters pay
12 and support other private and public efforts to hold them responsible.

13 (12) More than seventy percent (70%) of the increase in atmospheric greenhouse gas
14 concentrations since the Industrial Revolution has occurred since 1950, with a significant
15 acceleration in emissions after the year 2000. By that time, the scientific consensus regarding the
16 causes and impacts of climate change was well established, and the data necessary to attribute
17 proportional responsibility for greenhouse gas emissions during the covered period is scientifically
18 robust.

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

21 CHAPTER 6.3

22 RHODE ISLAND CLIMATE SUPERFUND ACT OF 2026

23 **42-6.3.-1. Short title.**

24 This chapter shall be known and may be cited as the “Rhode Island Climate Superfund Act
25 of 2026”.

26 **42-6.3-2. Definitions.**

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

29 (1) "Account" means the climate superfund account established pursuant to § 42-6.3-3(e).

30 (2) “Accepted attribution methodology” means a transparent, scientific approach used to
31 quantify a responsible party’s share of greenhouse gas emissions, that is consistent with
32 methodologies recognized by the Intergovernmental Panel on Climate Change ("IPCC") of the
33 United Nations including using the U.S. Environmental Protection Agency’s Emissions Factors for
34 Greenhouse Gas Inventories as applied to the fossil fuel volume data for the purpose of determining

1 the amount of covered greenhouse gas emissions attributable to any entity from the fossil fuel
2 production of that entity.

3 (3) "Climate change response work" means the planning, design, construction, operation,
4 maintenance, repair, or improvement of projects necessary to protect people, property, natural
5 resources, public health, and the state's economy from the impacts of climate change, including sea
6 level rise, flooding, storm surge, extreme heat, drought, erosion, and other climate-driven hazards.
7 Climate change response work includes, but is not limited to:

8 (i) Coastal and flood protection and resilience projects;

9 (ii) Stormwater management, drainage, and water infrastructure upgrades;

10 (iii) Heat mitigation, air quality improvement, emergency preparedness, and other hazard-
11 protection measures that safeguard public health;

12 (iv) Resilient transportation, housing, and community infrastructure;

13 (v) Energy system resilience, including grid modernization and distributed energy
14 resources;

15 (vi) Ecosystem, agricultural, forest, watershed, and fisheries restoration or protection
16 projects; and

17 (vii) Hazard mitigation planning, modeling, monitoring, and early warning systems.

18 (4) "Cost recovery demand" means a charge asserted against a responsible party for cost
19 recovery payments under the program for payment to the fund.

20 (5) "Covered greenhouse gas emissions" means the total quantity of greenhouse gasses
21 attributable to a responsible party's extraction or refining of fossil fuels during the covered period,
22 expressed in metric tons of carbon dioxide equivalent.

23 (6) "Covered period" means the period that began January 1, 2000, to December 31, 2025.

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

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

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

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

33 (11) "Program" means the climate superfund cost recovery program established by this
34 chapter.

1 (12) "Qualifying expenditure" means funds authorized by the DEM to be used to pay for
2 climate change response work.

3 (13) "Responsible party" means any entity (or successor in interest to such entity described
4 in this subsection), which, during any part of the covered period, engaged in the trade or business
5 of extracting or refining fossil fuel or refining crude oil and is determined by the department to be
6 responsible for more than one billion (1,000,000,000) tons of covered greenhouse gas emissions.
7 The term responsible party shall not include any person who lacks sufficient connection with the
8 state to satisfy the nexus requirements of the United States Constitution.

9 **42-6.3-3. Implementation.**

10 (a) Administrative authority.

11 To implement, enforce, and administer the provisions of this chapter, the department may:

12 (1) Appoint or engage necessary staff, including full-time equivalent positions and
13 contracted services, consistent with applicable state personnel and procurement laws; and

14 (2) Adopt rules and regulations pursuant to chapter 35 of title 42 ("administrative
15 procedures") to implement, enforce, and administer the provisions of this chapter.

16 (b) Expenditure inventory and report.

17 Within twelve (12) months of the effective date of this chapter, the department shall
18 identify climate change response work eligible for cost recovery under this chapter undertaken by
19 the state and municipalities or needed in the future and their corresponding expenditures, and
20 provide its report to the public on the department's website.

21 (c) Proportional liability calculations and demands.

22 (1) Within eighteen (18) months of the effective date of this chapter, the department shall
23 determine proportional amounts owed by responsible parties for climate change response work
24 during the covered period using accepted attribution methodology and issue cost recovery demands
25 to responsible parties.

26 (2) The department may adjust the cost recovery demand amount of a responsible party
27 who refined petroleum products or who is a successor in interest to an entity that refines petroleum
28 products if the responsible party establishes to the satisfaction of the department that:

29 (i) A portion of the cost recovery demand amount was attributable to the refining of crude
30 oil extracted by another responsible party; and

31 (ii) The crude oil extracted by the other entity was accounted for when the department
32 determined the cost recovery demand amount for the other entity or a successor in interest of the
33 other entity

34 (d) Information requests.

1 (1) The department may require from any responsible party any information or records
2 needed to administer or enforce this chapter, and responsible parties shall produce all requested
3 materials in a timely manner.

4 (2) Information may be withheld only if protected by law. The responsible party bears the
5 full burden of proving such protection and shall, at the time of response, identify each withheld
6 portion, cite the legal basis, and briefly explain the claim. Unsubstantiated claims shall require full
7 production.

8 (e) Climate superfund account.

9 A climate superfund account shall be established within the office of the general treasurer.
10 The department shall accept and collect payments from responsible parties and deposit them into
11 the established account and shall ensure that funds only be used for qualified expenditures under
12 this program.

13 (f) Reimbursements

14 The DEM shall distribute funds to municipalities, tribal governments, and community
15 organizations to reimburse eligible climate change response costs under a transparent and equitable
16 allocation system.

17 (g) Coordination.

18 The DEM shall coordinate with the attorney general, department of health, and the office
19 of energy resources to ensure equitable implementation and enforcement.

20 (h) Other remedies preserved.

21 Nothing in this chapter shall be construed to supersede or diminish any other remedies
22 available to any person or government entity under common law or statute.

23 (i) Emergency regulations.

24 The department may prescribe, adopt, and enforce emergency regulations as necessary to
25 implement, administer, and enforce its duties under this chapter.

26 **42-6.3-4. Liability of responsible parties.**

27 (a) Aggregated entities.

28 When two (2) or more entities may be treated as a single entity under 26 U.S.C. §§ 52(a),
29 52(b), 414(m), 414(o), or 1563 (without regard to 26 U.S.C. § 52(c)), they shall share joint and
30 several liability and be treated as a single entity for the purposes of identifying responsible parties.

31 (b) Payment deadline.

32 Except as provided in subsection (c)(1), a responsible party shall pay the amount demanded
33 in full within six (6) months after issuance of the cost recovery demand.

34 (c) Installment payments.

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

4 (2) Reasonable interest shall be charged on delayed payments.

5 (3) The unpaid balance of all installments becomes immediately due if:

6 (i) A responsible party fails to pay an installment on time;

7 (ii) A responsible party ceases to do business; or

8 (iii) Substantially all assets are sold, in which case the buyer assumes liability.

9 (d) Administrative hearings and appeals.

10 A responsible party may request reconsideration within thirty (30) days and may appeal a
11 final decision to the superior court within twenty (20) days.

12 **42-6.3-5. Enforcement.**

13 (a) Authority.

14 The department and the office of the attorney general shall have concurrent authority to
15 enforce this chapter, pursue violations, and recover all costs, penalties, and other relief as provided
16 by law.

17 (b) Penalties for late payment.

18 The department may collect penalties for late payment. The late penalty shall accrue daily
19 at ten percent (10%) per annum on the unpaid amount.

20 (c) Preservation of rights.

21 This chapter does not preempt any rights or remedies of the state, units of local government,
22 tribal governments, or individuals or groups under common law or any federal or state law.

23 (d) No preemption of other climate laws.

24 This chapter does not preempt or supersede any state law or local ordinance regarding
25 greenhouse gasses that:

26 (1) Limits or enforces emissions standards;

27 (2) Monitors, reports, or keeps records of emissions;

28 (3) Collects revenue through fees or levies; or

29 (4) Conducts or supports investigations.

30 **42-6.3-6. Severability.**

31 If any part of this chapter is adjudged invalid, such judgment shall not affect the remainder
32 of the provisions of this chapter, which shall continue in full force and effect.

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 2026

- 1 This act would create a Rhode Island Climate Superfund and direct the department of
2 environmental management (DEM) to assess, pursue cost recovery demands, and charge a
3 responsible party for climate change response work. This charge would include, but would not be
4 limited to, maintenance, repair, or improvement of projects necessary to protect people, property,
5 natural resources, public health, and the State’s economy from the impacts of climate change. This
6 act would also authorize the creation of a climate superfund account.
- 7 This act would take effect upon passage.

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