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Issue Brief

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State Climate Superfund Laws

By Max O'Connor, PhD, and Leena Vilonen, PhD, Science and Technology Policy Fellows

Summary

This issue brief provides an overview of state climate Superfund laws, which require entities that have emitted more than one billion metric tons of greenhouse gas (GHG) emissions to pay damages to the state for past emissions. These laws are modeled after the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, known informally as "Superfund," which enforces and funds the clean-up of sites contaminated by hazardous substances.

CERCLA

Prior to 1980, industries were permitted to dispose of hazardous waste directly into the environment, resulting in hazardous waste contamination at thousands of sites nationally. Public awareness of the human health impacts of environmental contamination proliferated in the late 1970s in response to sites like the Love Canal, where a chemical company lawfully disposed of hazardous waste in a partially built canal, resulting in severe health problems in the surrounding community. To clean up and prevent hazardous waste in the environment, the federal government passed CERCLA. Under CERCLA, the Environmental Protection Agency (EPA) may find parties responsible for past or current pollution and require that they either remediate the site themself or compensate the EPA to remediate the site. If no responsible parties can be found, the EPA can clean up the site using funding from the Hazardous Substance Superfund Trust Fund, which is funded by taxes on the chemical and petroleum industries.

State Climate Superfund Laws

Since 2023, several states have proposed or enacted climate Superfund bills that hold large fossil fuel producers and refiners financially liable for past GHG emissions. These state laws rely on the scientifically supported finding that climate change is largely caused by GHG emissions from the combustion of fossil fuels.

In 2024, Vermont became the first state to pass a climate superfund law. That same year, New York became the next state to enact this type of legislation. These climate Superfund laws hold only “super-emitters” financially responsible, i.e., companies that have emitted over one billion metric tons of GHG emissions over the past 18 to 30 years. This threshold of GHG emissions, which is approximately equivalent to burning over one trillion pounds of coal, expressly includes GHG emissions resulting from an entity’s global activity, not just their activity within state borders. State climate Superfund laws generally only apply to companies deemed to have a meaningful connection to the state, such as through a physical presence within the state or through the volume or value of economic activity within the state.

Modelled after CERCLA, climate Superfund laws require super-emitting fossil fuel extractors or crude oil refiners to pay into a Superfund account that will be used to fund state projects that avoid, mitigate, or adapt to the impacts of climate change. Eligible projects include coastal wetlands restoration, storm water drainage system upgrades, energy efficient cooling systems, public health funding, and early warnings to extreme weather events. States differ in how they calculate damages owed by super-emitters, with some charging a flat amount and others charging an amount proportional to the state's incurred climate change-related infrastructure costs based on the entity's historic GHG emissions.

In December 2025, Maryland passed Senate Bill 149, which requires an assessment of historical and projected climate-related damages and infrastructure costs resulting from GHG emissions. Unlike the Vermont and New York bills, this bill does not require companies to pay for damages.

Table 1 lists the state-level climate Superfund bills that have passed, failed, or are currently under consideration.

Litigation

In addition to legislation, a growing number of states and municipalities have pursued or stated intentions to pursue financial compensation from fossil fuels companies for climate change-related damages via the courts. These lawsuits allege that fossil fuel companies should be held liable for contributing to the costs associated with adaptation to climate change and damages caused by extreme weather events linked to climate change.

The federal administration issued an Executive Order in April 2025 directing the Attorney General to identify all state and local laws, regulations, civil actions, and policies that target domestic energy resources, in particular fossil fuels, to assess the constitutionality and applicability of federal laws to the state laws. The Executive Order calls for the Attorney General to stop the enforcement of state carbon-penalty funds, such as those created by state climate superfund laws.

The federal government has sued the states of Hawai'i and Michigan over their intentions to sue fossil fuel companies over the impacts of climate change. The federal government and others have also brought lawsuits against Vermont and New York asserting that their climate Superfund Law is unconstitutional. These cases are currently ongoing.

Table 1
State Level Climate Superfund Bills

State	Bill (Year)	Bill Status
Vermont	VT Senate Bill 259 (2024)	Passed, Pending litigation
New York	NY Senate Bill S02129B (2024)	Passed, Pending litigation
Connecticut	CT House Bill 5156 (2026)	Pending
Illinois	IL House Bill 4773 and IL Senate Bill 2981 (2026)	Pending
Massachusetts	MA House Bill 1014 and MA Senate Bill 588 (2026)	Pending
Minnesota	MN SF 4126 and MN HF 3945 (2026)	Pending
Rhode Island	RI House Bill 7004 and RI Senate Bill 2024 (2026)	Pending
Hawaii	HI Senate Bill 1652 (2026)	Pending, Carried over from previous legislative session
Maine	ME LD 1870 and SP 740 (2026)	Pending, Carried over from previous legislative session
New Jersey	NJ Assembly Bill 3735 and NJ Senate Bill 2338 (2026)	Pending, Carried over from previous legislative session
Hawaii	HI Senate Bill 1652 (2025)	Carried over to following legislative session
New Jersey	NJ Assembly Bill 4696 and NJ Senate Bill 3545 (2024)	Carried over to following legislative session
Oregon	OR Senate Bill 1541 (2026)	Failed
Virginia	VA Senate Bill 420 (2026)	Failed
California	CA Assembly Bill 1243 and CA Senate Bill 684 (2025)	Failed
Connecticut	CT House Bill 6280 (2025)	Failed
Connecticut	CT Senate Bill 1199 (2025)	Failed
Maine	ME LD 1808 and HP 1209 (2025)	Failed
Oregon	OR Senate Bill 682 (2025)	Failed
Oregon	OR Senate Bill 1187 (2025)	Failed
Rhode Island	RI House Bill 5424 and RI Senate Bill 326 (2025)	Failed
Tennessee	TN Senate Bill 0702 and TN House Bill 0716 (2025)	Failed
Massachusetts	MA House Bill 872 and MA Senate Bill 481 (2023)	Failed

Source: Legislative Council Staff