# Vermont Enacts Law Mandating Fossil Fuel Companies to Pay for Climate Change Damages



Vermont has become the first U.S. state to enact a law requiring fossil fuel companies to pay for damages caused by climate change. This legislation was allowed to pass without a signature from Republican Governor Phil Scott, who expressed concerns about the costs and potential legal challenges for the small state.

The law mandates that the Vermont state treasurer, in collaboration with the Agency of Natural Resources, provide a report by January 15, 2026. This report will assess the financial impact on Vermonters from greenhouse gas emissions attributed to fossil fuel companies from January 1, 1995, to December 31, 2024. The resulting funds could be used for infrastructure improvements, such as stormwater drainage systems and energy efficiency upgrades.

The American Petroleum Institute has voiced strong opposition, citing concerns over retroactive costs and liability. Other states, including Maryland, Massachusetts, New York, and California, are considering similar measures. This move follows California's recent lawsuit against major oil companies for allegedly deceiving the public about the impacts of fossil fuels.