



LEGISLATIVE POSITION:

Unfavorable

House Bill 1134 – Maryland Building Performance Standards – Fossil Fuel Use and Electric-Ready Standards

House Environment and Transportation Committee

Wednesday, March 8, 2023

Dear Chairman Barve and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,400 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

House Bill 1134 requires Maryland's Department of Labor to adopt new requirements, as a part of the Maryland Building Performance Standards, that new buildings meet all energy demands without the use of fossil fuels and requires an electric-ready standard for certain buildings that qualify for a waiver allowing the use of fossil fuels. The adoption of these new standards would be required on or before January 1, 2024.

The legislation creates significant challenges for existing businesses and future economic development in Maryland. House Bill 1134 would severely restrict the availability of affordable energy options for all new buildings in the state. This legislation also places Maryland at a significant regional economic competitiveness disadvantage by ultimately phasing out the use of other affordable energy sources for commercial buildings that are critical to every jurisdiction in our state.

While the Chamber has been supportive of efforts to responsibly reduce emissions, House Bill 1134 sets for an unrealistic implementation timeline that would drastically change the permitting process for future construction in the state before the Public Service Commission (PSC) has an opportunity to complete various studies that were mandated by the Climate Solutions Now Act of 2022. The Chamber believes that adoption of such rapid and far-reaching overhauls of the Maryland Building Performance Standards before the PSC has an opportunity to complete its general system planning study and electric distribution system reports could lead to disastrous effects for industry and consumers across the state.

For these reasons, the Maryland Chamber of Commerce respectfully requests an **Unfavorable Report** on **HB 1134**.