

March 4, 2024

The Honorable Marc Korman
Chairman, House Environment and Transportation Committee
Room 251, House Office Building
Annapolis, Maryland 21401

RE: MBIA Letter of Opposition HB 1279 Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)

Dear Chairman Korman,

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 1279 Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric- and Solar-Ready Standards (Better Buildings Act of 2024)**. MBIA **opposes** the Act in its current version.

This bill requires the Maryland Department of Labor to adopt a requirement that new buildings meet all water and space heating demands of the building without the use of fossil fuels, energy conservation requirements, and an electric– and solar–ready standard for certain buildings. While we fully support the goals of promoting sustainability and environmental responsibility, we believe that the provisions in this bill will present significant challenges for our industry. Implementing the mandated requirements for electric vehicle infrastructure, solar readiness, and energy conservation measures is likely to increase construction costs significantly. Ensuring compliance with these standards will require specialized expertise and resources that may not be available or cost-effective for all stakeholders involved. Additionally, meeting the new standards will require more time for planning, design, and construction. This will add significant delays to the construction process that is already very slow.

This bill will further add a disincentive for investment in housing in Maryland. As you know, Maryland currently faces a housing shortage of approximately 96,000 housing units. If nothing changes, that number will increase by 5,600 units per year. The National Association of Homebuilders reports that the estimated rent of a Maryland Housing Units is more than 30% of household incomes state wide with 25% of people spending more than 50% of their income on housing. In order to address this problem, we need a concerted effort to make housing available, and affordable to the residents of this state. This bill is a step in the wrong direction.

For these reasons, MBIA respectfully urges the Committee to give this measure **an unfavorable** report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Environment and Transportation Committee