March 5, 2024

Education, Energy, and the Environment Committee 2 West, Miller Senate Office Building Annapolis, Maryland 21401



<u>HB1279- Maryland Building Performance Standards – Fossil Fuel Use, Energy</u> <u>Conservation, and Electric- and Solar- Ready Standards (Better Buildings Act of 2024):</u> <u>OPPOSE</u>

Chair Feldman, Vice Chair Kagan, and Members of the Education, Energy, and the Environment Committee,

The ICSC Maryland Government Relations Committee respectfully opposes Senate Bill 1023: *Maryland Building Performance Standards – Fossil Fuel Use, Energy Conservation, and Electric- and Solar- Ready Standards (Better Buildings Act of 2024).* ICSC is the marketplaces industry association supporting more than 45,000 members. In Maryland our industry supports 500,000 jobs and is responsible for nearly \$7.1 Billion in state sales and use tax revenue. House Bill 1279 would require that new buildings meet all energy demands without the use of fossil fuels and create an electric- and solar-ready standard for certain buildings.

ICSC is concerned with the large change in policy that this bill would mandate. In recent months, PJM has placed a strong emphasis on ensuring the grid's reliability in the face of electrification challenges. This potential policy's change in electrification may further strain the grid before its capacity is adequately addressed. In addition, the economic burden falls heavily on utility payers, and this transition could impact not just new building owners but the broader community due to an increased electricity demand.

We respectfully ask for an unfavorable report for this legislation.

Sincerely, Eric McWilliams ICSC Maryland Government Relations Chair