

February 24, 2025

The Honorable Marc Korman
Environment & Transportation Committee
House Office Building, Room 251,
6 Bladen St., Annapolis, MD, 21401

RE: MBIA Letter of Opposition HB 212 Maryland Building Performance Standards – Fossil Fuel Use and Electric-Ready Standards

Dear Chairman Korman:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 212 Maryland Building Performance Standards – Fossil Fuel Use and Electric-Ready Standards**. MBIA **Opposes** the Act in its current version.

This bill requires the Department of Labor to adopt a new electric energy standard for new buildings and eliminate the use of fossil fuels in new buildings by 2027 and 2031 size dependent. MBIA respectfully opposes this measure. While we recognize the importance of addressing the ongoing and systemic risk of climate change this bill places full electrification of new buildings on an unrealistic and accelerated timeline. Many electrification technologies are not yet sufficient to meet our current needs. Heating technology, such as a heat pump, is sufficient in climate with very little relative temperature change during the year but does not work sufficiently in the Maryland climate without expensive emergency heat during extreme cold events like we experienced in December. Gas heating, including hybrid systems, is essential for this climate and a fully electrified building code does not allow for that. BGE recommends hybrid heating systems as the best way to dramatically reduce carbon emissions while still meeting consumer needs. This bill currently prohibits this kind of system and instead requires local governments to grant waivers to specifically allow them. This creates intense political pressure to prohibit a carbon reducing system that can easily meet consumer heating demands.

Lastly, Maryland currently faces a housing shortage of approximately 96,000 housing units. If nothing changes, that number will increase by 5600 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. We need to be finding ways to incentivize housing, not make it more challenging to constructs. MBIA supports taking efforts to protect the environment, however we need to balance that with the housing needs of the state.

For these reasons, MBIA respectfully requests the Committee 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 & Transportation Committee