

Department of Legislative Services  
Maryland General Assembly  
2011 Session

FISCAL AND POLICY NOTE  
Revised

House Bill 972

(Delegate Stein, *et al.*)

Environmental Matters

Education, Health, and Environmental Affairs

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Building Codes - International Green Construction Code

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This bill authorizes the Department of Housing and Community Development (DHCD) to adopt by regulation the International Green Construction Code (IGCC). The bill also authorizes local governments to adopt IGCC and make amendments to IGCC.

The bill takes effect March 1, 2012.

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Fiscal Summary

**State Effect:** Potential increase in project costs for any State building that is not required to meet the existing high-performance building standard, to the extent that DHCD adopts IGCC. DHCD workloads and expenditures increase minimally to evaluate the new code and to provide training for State and local building code personnel, but can likely be handled with existing budgeted resources.

**Local Effect:** Potential increase in project costs for local government buildings in any jurisdiction that adopts IGCC and requires its application to public building construction or renovation.

**Small Business Effect:** Potential meaningful beneficial impact on small business developers and contractors that specialize in the construction of green buildings, and any firm engaged in producing green building construction components, supplies, or materials. To the extent IGCC is adopted, small businesses could incur additional costs to comply with the code when constructing or renovating a building.

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## Analysis

**Current Law:** DHCD is required to adopt, as the Maryland Building Performance Standards (MBPS), the most recent version of the International Building Code (IBC), along with applicable modifications authorized in Title 12 of the Public Safety Article. Within 12 months of the release of each new version of IBC, DHCD is required to review the new version and consider modifications. DHCD is prohibited from adopting any modification that is more stringent than IBC, except that an energy conservation requirement may be more stringent than the International Energy Conservation Code (IECC).

A local jurisdiction may adopt local amendments to MBPS if the local amendments do not prohibit the minimum implementation and enforcement activities required by State law, or weaken the energy conservation and efficiency provisions. If a local amendment conflicts with MBPS, the local amendment prevails in the local jurisdiction.

Maryland's High Performance Buildings Act (Chapter 124 of 2008) requires that most new or renovated State buildings and new school buildings meet or exceed either the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) criteria for a Silver rating or a comparable rating according to a nationally recognized, accepted, and appropriate standard approved by the Department of Budget and Management and the Department of General Services. Chapters 527 and 528 of 2010 require that community college capital projects that receive State funds comply with the State's High Performance Building Act (*i.e.*, achieve at least a LEED Silver rating). Chapters 527 and 528 allow community colleges to receive a waiver from this requirement under the Act's existing procedures.

Chapters 115 and 116 of 2007 codified the Maryland Green Building Council, which had been established by executive order but had been dormant for several years. In December 2007, the council issued its first report with a list of recommendations that were subsequently codified in the High Performance Buildings Act. Chapters 224 and 225 of 2009 required the Maryland Green Building Council to evaluate high-performance building technologies, list the types of buildings that the technology should not be applied to, and report to the Governor on recommendations for the most cost-effective technology and how to expand green building in the State.

Maryland has also adopted several energy efficiency- and conservation-related building code standards deemed important to reducing greenhouse gas emissions and lowering energy costs. Chapter 294 of 2009 required DHCD to adopt IECC and to consider changes to IBC to enhance energy conservation and efficiency. The IECC residential building code is compliant with the federal Energy Conservation and Production Act, and has been adopted in the majority of states.

**Background:** IGCC is being developed by the International Code Council, in conjunction with the American Institute of Architects; ASTM International; the American Society of Heating, Refrigerating and Air-Conditioning Engineers; the U.S. Green Building Council; and the Illuminating Engineering Society to establish a model code focused on new and existing commercial buildings addressing green building design and performance. A final hearing on code development is scheduled for November 2011 and the 2012 Edition of IGCC is expected in 2012.

The International Code Council was established in 1994 as a nonprofit organization dedicated to developing a single set of comprehensive and coordinated national model construction codes. IBC has been adopted by all 50 states as well as thousands of local jurisdictions.

**State Expenditures:** To the extent DHCD adopts IGCC, project costs for State building construction or renovation that is not currently required to meet high-performance building standards may increase. Legislative Services advises that while it is not familiar with the technical details of IGCC, a survey of literature, including from the U.S. Green Building Council, generally indicates that IGCC is a baseline construction code similar in structure to IBC, but designed to perpetuate green building design. By contrast, LEED is not a building code, but rather a rating system that assigns points for incorporating a series of attributes within the design for a green building.

**Local Expenditures:** Local expenditures increase for any jurisdiction that adopts IGCC and elects to require its application to public buildings. Baltimore County advises that it is currently building all new projects to meet LEED certification, and therefore, the bill will have no impact. The City of Havre de Grace did not indicate whether it will adopt IGCC, but advises that if it does, there may be a negligible increase in expenditures to train building code inspectors.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Baltimore, Carroll, Cecil, and Montgomery counties; cities of Frederick and Havre de Grace; Department of Budget and Management; Department of General Services; Department of Housing and Community Development; U.S. Green Building Council; International Code Council; Department of Legislative Services

**Fiscal Note History:** First Reader - March 1, 2011  
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