Green & Healthy Homes Initiative®

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Senator Paul G. Pinsky, Chair
Senate Education, Health, and Environmental Affairs Committee
Miller Senate Office Building, 2 West
11 Bladen Street
Annapolis, Maryland 21401

Re: **SB319 – Clean Energy Loan Program - SUPPORT**

Dear Chairman Pinsky and Members of the Committee:

The Green & Healthy Homes Initiative (GHHI) is dedicated to addressing the social determinants of health and the advancement of racial and health equity through the creation of healthy, safe and energy efficient homes. By delivering a standard of excellence in our work, GHHI aims to eradicate the negative health impacts of unhealthy housing and unjust policies for children, seniors, and families to ensure better health, economic and social outcomes with an emphasis on low-income black and brown communities. We achieve healthy homes through the alignment of resources to eliminate health hazards and upgrade houses with improved energy efficiency measures. Our collective efforts to coordinate lead hazard reductions, asthma trigger controls, fall/injury preventions, energy efficiency efforts, weatherization upgrades and housing rehabilitation service delivery options have helped countless children and families in Maryland and across the nation reside in safe and healthy homes. Housing quality and conditions significantly impact occupant health and well-being. Unfortunately, low-income communities and communities of color often contain substandard housing with environmental health and safety hazards that contribute to widespread health, economic and social inequities.

We are writing in **SUPPORT of SB319** which will be critical in promoting energy, environmental, health and racial equity for Marylanders through the promotion of healthy, safe and energy efficient housing for children, seniors and other vulnerable populations.

Need to be Addressed by SB319

Currently, there are programs in Maryland that support residential clean energy and energy efficiency projects. These programs include Empower Maryland and the Clean Energy Loan Program, which localities can establish. These programs are often limited in scope and are only able to support clean energy and energy efficiency projects. However, in many cases, clean energy and energy efficiency projects can only be completed in homes that are in good condition. Many limited-income families and families of color in Maryland live in older, deteriorated homes that contain environmental and/or health hazards. Once these hazards are addressed then clean energy and energy efficiency project can be completed. Unfortunately, many of the families that occupy homes with these hazards are unable to access resources needed to address

the hazardous conditions or the health and safety funds available by the weatherization programs are limited which results in their home being deferred for weatherization. Tragically, these same families often stand to benefit the most from clean energy and energy efficiency investments. Below are examples of health and social conditions that SB319 would help to improve by providing for funding to address greater health and safety hazards and reduce deferral rates.

Energy Insecurity

Low-income communities and communities of color experience higher levels of energy insecurity. Energy insecurity refers to the inability of households to meet their basic energy needs and can include the inability to afford energy bills or the inability to sufficient heat or cool the home because of physical deficiencies. In 2015, the U.S. Energy Information Administration found that over 37 million Americans (over one-third of all Americans) were energy insecure. Of that number, over 22 million households were low-income and over 20 million were Black or African American.

Energy insecurity is related to the substandard housing conditions as deteriorated housing often include energy-related issues such as poor insulation, air leaks and drafts, inefficient and poorly maintained heating, cooling and ventilation (HVAC) systems, and outdated lighting and appliances. The same EIA study found that over 22 million energy insecure households lived in homes that were built before 1980.

Energy Insecurity is also linked to a sister concept, known as energy burden, which refers to the percentage of household income that is spent on energy/utility services. A recent 2020 study by the American Council for an Energy Efficient Economy (ACEEE) found that over 25 million low-income households, over 10 million African American or Hispanic households, and over 15.9 million households living in a home built before 1980 across the U.S. experience a high energy burden (over 6 percent of income is spent on energy/utility services). The same study found that Baltimore's low-income population experienced the highest second highest median energy burden (10.5%) of all low-income populations within the top 25 most populated metro areas in the country. Often, energy insecurity and high energy burdens often overlap other health and social issues such as food insecurity, high housing cost burdens, and inadequate access to health care in the same communities. In fact, the EIA study found that low-income households and households of color are disproportionately subject to trade-offs such as forgoing food and medicine to pay for energy and utilities.

Asthma

The burden of asthma, a chronic disease, is a growing problem that greatly contributes to social inequalities in health outcomes and health disparities, which are neither inevitable nor irremediable, especially for children and minorities in Maryland. Determinants of health related to air quality and indoor environments are known to be significant contributing causes of asthma morbidity and exacerbations and disproportionately burden populations, especially children and

minorities. Poor outdoor and indoor air quality and housing conditions such as mold, pests, and other allergens contribute to asthma episodes for Maryland residents. Mold and pest issues can also result in client deferral for energy efficiency programs. 25 million Americans have asthma and it has been shown to be the cause of the biggest loss in productivity through school and work absenteeism. Nationally, over 14.4 million school days and 14.2 million work days are missed due to asthma episodes.

Over 500,000 adults in Maryland have been diagnosed with asthma. Maryland spends $42.1 million annually for asthma related hospitalizations and $93.3 million for asthma related emergency department visits. Research has shown that race, ethnicity and income are also common risk factors in asthma diagnoses. Asthma-related health disparities have disproportionally affected African American residents in Maryland, specifically children. Data available from the Maryland Asthma and Surveillance Report demonstrates that African American asthmatics in Maryland visit the emergency room 5 times more often than White asthmatics and are hospitalized 2.5 times more often than White asthmatics in Maryland.

Lead Poisoning

In 2019, there were 1,526 children with elevated blood levels (EBLs) of 5 μg/dl or higher in Maryland. Lead poisoning from lead in paint, lead in water, and contaminated soil contributes to significant brain damage, learning disabilities, speech development problems, attention deficit disorder, and poor school performance. Lead poisoning is irreversible and has a significant impact on societal costs including thousands of school age children. Millions of dollars are spent on special education and juvenile justice costs in Maryland to combat the effects of lead poisoning, and thousands of children enter our public-school systems, disproportionately in black and brown communities, with impediments to their development, unable to achieve academically at the rate of their classmates.

Lead poisoning directly contribute to the cycle of learning disabilities, poor school performance, steep school dropout rates and juvenile delinquency that prevent low income children in particular from being able to thrive and which burdens the State through increased special education and criminal justice costs Maryland. Lead poisoning has a disparate impact on minority, low income communities in Maryland and in children's ability to reach their full potential. Children poisoned by lead are 7 times more likely to drop out of school and 6 times more likely to end up in the criminal justice system than the population as a whole. A child poisoned by lead has decreased lifetime earnings of $1,086,645 per child. Lead hazards in pre-1978 properties can result in a home being deferred for energy efficiency programs without other financial support being provided to the client applicant.

The Need for More Flexible Funding and the Return on Investment

Providing resources through SB319 and the Clean Energy Fund to address the root causes of the above conditions found in homes being weatherized can produce significant impact for Maryland's children in improved health and education outcomes and result multiple cost savings

for the state. Every dollar invested in lead hazard remediation prevention in homes results in health, educational, and other savings of at least $17-$221 in return. Every dollar invested in prevention asthma programs and interventions results in savings of $5.30-$14 in return. Every dollar invested in residential energy efficiency and weatherization, which are interventions that simultaneously improve housing quality and upgrade energy infrastructure, return $1.72 in energy benefits and an additional $2.78 in health and other societal benefits.

SB319 will:

- Expand the Clean Energy Loan Program to include environmental remediation such as mold, asbestos, and lead paint remediation as allowable uses of the program funds and reduce client deferrals.
- Expand the Clean Energy Loan Program to include resilience projects such as flood mitigation, stormwater management, fire and wind resistance projects, alternative vehicle charging infrastructure, and energy storage.

SB319 enables communities that are disproportionately impacted by substandard housing conditions to access resources to address environmental health hazards so that all Marylanders can benefit from residential clean energy and energy efficiency improvements.

We urge the passage of SB319.

Respectfully Yours,

Ruth Ann Norton
President and CEO