



ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

January 14, 2021

HB74

Income Tax - Credit for Energy Efficiency Upgrades - Passive Houses

House Ways and Means Committee

Position: Support

The Maryland Catholic Conference (“Conference”) represents the public policy interests of the three Roman Catholic (arch) dioceses serving Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington.

House Bill 74 this bill allows a tax credit for the installation of energy efficiency products in residential properties, which would bring those residences in compliance with the Passive House Standard, as set by the Passive House Institute. Qualifying residential properties include the taxpayer’s residence or a single-family or multifamily residential rental unit. The tax credit may not exceed the littlest of 10% of the total costs paid or incurred by the owner for an energy efficiency upgrade or \$2,000. An “energy efficiency upgrade measure” is defined as energy efficiency improvement to the building envelope or duct system that meets or exceeds the minimum value for the improved component established by the version of the international energy conservation code (IECC). Such upgrade measures include the following: additional insulation, replacement of windows with more 2 efficient windows; storm windows; weather stripping and caulking; and duct sealing and insulation.

In his encyclical, *On Care for Our Common Home (Laudato Si')*, Pope Francis tells us, “Whenever these questions are raised, some react by accusing others of irrationally attempting to stand in the way of progress and human development. But we need to grow in the conviction that a decrease in the pace of production and consumption can at times give rise to another form of progress and development. Efforts to promote a sustainable use of natural resources are not a waste of money, but rather an investment capable of providing other economic benefits in the medium term... We know how unsustainable is the behavior of those who constantly consume and destroy, while others are not yet able to live in a way worthy of their human dignity”.

House Bill 74 aims to address the much needed reforms to energy consumption policies and standards to be set to sustain and achieve a healthy global ecosystem. We encourage discussion around the components and goals outlined in this legislation and hope they are a catalyst for meaningful ecological policy reform.

The Conference appreciates your consideration and, for these reasons, respectfully requests a favorable report on House Bill 74.