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John Hartline, Chair

Charlotte Davis, Executive Director

Testimony in Support with Amendments of
House Bill 806 - Building Standards and Emissions Reductions – High Performance, State, and Local
Government Buildings, State Operations, and Eligible Projects
House Appropriations Committee
March 01, 2022

The Rural Maryland Council supports with amendments House Bill 806 - Building Standards and Emissions Reductions – High Performance, State, and Local Government Buildings, State Operations, and Eligible Projects. This bill will qualify schools and public safety buildings with certain environmental certifications to be considered a high-performance building. The bill also lists eligible materials for capital projects which includes wood eligible materials. The RMC would like to amend this language to make the wood eligible materials locally sourced.

Using local materials and owned businesses have great financial impacts on local economies. A study from Civic Economics, looked at Arizona and found that at a locally owned office supply company, 33.4 percent of revenue remained in the local economy, compared with just 11.6 percent of a national company with a presence in the state. The study also looked at the potential impact of the City of Phoenix contracting with this local firm and found that given a one-year, \$5 million contract for office supplies, an additional \$1 million would stay in the area's economy, while only \$580,000 of the \$5 million would remain local with the national company.

Requiring the wood materials used for the capital projects defined in this bill to be locally sourced will be environmentally and economically beneficial to Maryland. Using local wood sources will promote Maryland's forestry industry and the jobs that are associated with them. It will also ensure that the wood being used has been harvested locally, reducing the carbon footprint from shipping across states or from overseas. The RMC respectfully requests an amendment to House Bill 806 to add locally sourced wood.

The Rural Maryland Council respectfully requests your favorable support with amendments of HB-806

The Rural Maryland Council (RMC) is an independent state agency governed by a nonpartisan, 40-member board that consists of inclusive representation from the federal, state, regional, county and municipal governments, as well as the for-profit and nonprofit sectors. We bring together federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to identify challenges unique to rural communities and to craft public policy, programmatic or regulatory solutions.

House Bill 806 - Building Standards and Emissions Reductions – High Performance, State, and Local Government Buildings, State Operations, and Eligible Projects

Amendment one

On page 5 line 2, strike "and"; on line 6, strike the period after "PROJECT" and replace with a semicolon; and on line 7, insert <u>4</u> and add <u>the department, where applicable, establish environmentally friendly procurement process that establishes a local purchasing preference.</u>