



TO: Members, Senate Finance Committee
FROM: Mary Beth Tung – Director, MEA
SUBJECT: HB 365 - Public School Construction - Fossil Fuel-Based Energy System Costs - Prohibition (Green School Construction Act of 2022)
DATE: February 8, 2022

MEA POSITION: Letter of Information

House Bill 365 prohibits the Interagency Commission on School Construction from considering a new or replacement fossil fuel-based energy system as a construction or capital improvement cost. This bill will likely function as a ban on any fossil-fuel infrastructure, in all likelihood creating significant energy and financial burdens for local education agencies (LEAs) with aging infrastructure.

MEA continues to help institutions in the state drastically reduce greenhouse gas emissions and energy costs by providing funding support for energy retrofits, and has had significant interest in its FY22 Maryland Energy Infrastructure Program from LEAs for similar retrofits.

Conversions from trucked, fossil-fuel commodities to cleaner options is a cost effective method of immediately lowering end user emissions while also removing diesel trucks from Maryland roadways. There is no guarantee that any school affected by the bill will be able to support the requisite amount of renewable energy (e.g., geothermal) to offset its generation loss, and certainly not without significant impact on the grounds or school structure itself. Fuel switching does not require this magnitude of structural changes. This is especially true in more developed and urban parts of the state (e.g., Baltimore City) where LEAs don't have access to the geographic real estate required for ground-source geothermal assets.

The majority of Maryland schools have *chosen* to utilize natural gas infrastructure and for good reason. Natural gas is cleaner and more affordable, lowering the operational costs committed to water and space heating. It is also highly resilient, being delivered continuously regardless of weather or road conditions. And in some cases, natural gas is a renewable resource.

Under this bill, a school (and its LEA) that cannot realistically adopt ground-source heat or the requisite level of solar will be denied state funds necessary for energy retrofits, in turn requiring a disproportionate expenditure of local funds. This would likely hinder other projects for that LEA and divert resources away from classrooms, students and teachers.

MEA asks the committee to consider this information when rendering its report.