

February 15, 2022

To: Senate Education, Health & Environmental Affairs Committee

From: Bernie Marczyk, on behalf of Manufacturers' Alliance of Maryland

RE: Senate Bill 528- Climate Solutions Now Act of 2022

Like many in the private sector, the manufacturing community is embracing and implementing a broad array of efforts to reduce greenhouse gas emissions and achieve Net Zero in an effective, sustainable manner. The issue, debate, and solutions surrounding climate change policies are critically important, and the legislation before the Committee today has several components with various impacts to communities and businesses.

The manufacturing industry is an important component to the health of Maryland's economy, and the Manufacturers' Alliance of Maryland ("MAM") has been a strong voice on tax and environmental policies that may be impactful to manufacturing in Maryland. While we are aligned with the overall goals of the legislation there are provisions of the legislation, if not altered or delayed, that could have a negative impact on the manufacturing industry's sustainability and growth in Maryland.

Specific comments are as follows:

1. The measures in this legislation put undue pressure on decision-making both from a policy perspective and from a manufacturer's growth perspective while trying to achieve goals that diverge from the increasingly accepted goals set by the United Nations International Panel on Climate Change, President Biden's administration, and Maryland's Commission on Climate Change. As one example of undue pressure, divergence from the widely embraced United Nations goal of Net Zero by 2050 will create avoidable distortions and disincentives for business in Maryland.
2. This legislation pushes Maryland to a single source, electricity, for all its energy needs. From a cost, supply, and reliability perspective, complete reliance on one form of power with no reasonable framework for alternatives for the manufacturing sector that requires significant electricity is concerning.
3. Before moving to a single source of energy for new buildings in the State, the security and reliability of the grid must be assured. The current electrical grid alone cannot reliably supply all of Maryland's energy needs and should be strengthened before truncating the growth and supply of natural gas and the availability of back-up supplies such as heating oil and propane.

Thank you for the opportunity to share this testimony with the Committee.

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