



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

February 15, 2022

TO: The Honorable Paul G. Pinsky
Chair, Education, Health, and Environmental Affairs Committee

FROM: Marc Elrich
County Executive

RE: Senate Bill 528 – *Climate Solutions Now Act of 2022* – Support with
Amendments

I am writing to express my strong support for Senate Bill 528 – *The Climate Solutions Now Act of 2022*, which updates Maryland’s climate goals to match the science-based targets required by the Paris Climate Accord and establishes foundational programs to achieve those goals.

We are in a climate emergency. The United Nations Emissions Gap Report of 2021 includes the following proclamation: “Climate Change is no longer a future problem. It is a now problem.” If we are going to meet the Paris Climate Agreement’s goal of staying below a 1.5 degree Celsius rise this century, the world must reduce emissions by 50% before 2030.

The Climate Solutions Now Act reflects Maryland’s commitment to being part of that solution. It updates the State’s emissions reduction goals to 60% by 2030 and net-zero by 2045. The Act only begins to lay out that path. While it will not be easy, it offers tremendous opportunity for the State to become a healthier, more equitable, and more prosperous place to live.

The Act lays out workforce development initiatives to bring more green jobs to the State, starting with corps programs for training young workers in resilient infrastructure and renewable energy deployment.

The requirements for net-zero schools and the use of zero-emissions buses will make it clear to our students that we are serious about their futures. In fact, in Montgomery County, we showed just *how* serious we are about changing the dynamic by approving an agreement last year that was the largest procurement for zero-emissions buses in the nation.

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The Climate Solutions Now Act must allow for continued collaboration between the State and counties. Montgomery County has some of the nation's most ambitious climate goals – an 80% reduction in emissions by 2027 and 100% by 2035. To reach these goals, we need the State and the Climate Solutions Now Act to continue to support the efforts of our counties.

Another bill before the General Assembly this Session, Senate Bill 81/House Bill 61, enables counties to create real enforcement penalties for Building Energy Performance Standards. The use of Building Energy Performance Standards is crucial to achieving local climate goals, and many jurisdictions across the country have successfully enacted these standards in response to their climate commitments, including Washington, D.C., New York City, St. Louis, Denver, and Boston. Standards we have drafted for Montgomery County are before the County Council now. We anticipate the number of jurisdictions that have established Building Energy Performance Standards will grow significantly in the coming years, with assistance from the White House Council on Environmental Quality's National Building Performance Standards (BPS) Coalition launched on January 21, 2022. Montgomery County, Prince George's County, and the City of Annapolis have signed on as BPS Coalition participants along with many other jurisdictions nationwide. Because I believe it is important to protect the local authority that currently exists to establish these standards, the County is requesting that the Climate Solutions Now Act be amended to ensure this authority remains intact.

The Climate Solutions Now Act also allows community solar equipment in certain areas supporting a majority low- or moderate-income customers to be exempt from county and municipal property taxes. These exemptions can serve as incentives to solar energy deployment, and I would request that counties be granted enabling authority to offer property tax exemptions for any solar equipment.

Equity is also an important lens to apply when developing climate goals and programs. The Climate Solutions Now Act requires updates of annual reports to better understand how State funds are spent each year. I encourage the State to create ambitious goals as part of the Climate Solutions Now Act to be sure equity is at the forefront of these actions.

A concern that I would share relates to the importance of ensuring that the collaboration between the counties and the State will continue since neither can succeed independent of one another. For that reason, for your consideration, I have attached a set of amendments suggested by Montgomery County Department of Environmental Protection's climate change staff to further that goal.

This is an important point in time. And time is not on our side. We must more aggressively use all the tools we have to address the rapid pace of climate change and the impacts that we are experiencing with greater frequency every day. I urge you to act expeditiously and favorably on this legislation.

cc: Members of the Education, Health, and Environmental Affairs Committee

AMENDMENT REQUESTS

1. Add a new section 2-1604, (Building Emission Standards) to explicitly not preempt counties and local municipalities from enacting their own Building Emissions or Energy Standards: 2-1604. *Authority to enact local standards. “This subtitle does not affect the authority of a county, municipality, or other local government to enact building emissions or energy standards that are at least as stringent as the standards established in this subtitle.”*
2. Section 7-237 (Page 46, lines 13-21) creates exemptions for County or Municipal property tax for machinery or equipment installed on rooftops, parking lots, roadways, or brownfields, that is part of a community solar energy generating system, serving 51% of low- or moderate- income customers: County staff recommends expanding this exemption to any solar equipment.
3. Sections 1-701 and 1-702 (pages 9-12) create strategies to address environmental justice and the disproportionate effects of climate change on disadvantaged communities and sets goals for State funding: *County staff recommends attaching goals to these efforts in the Climate Solutions Now Act to ensure environmental justice is at the forefront of the State’s climate efforts.* For example, the State could adopt a similar 40% goal as the Justice40 Initiative. Justice40 is a Federal requirement for at least 40% of the benefits of federal investments be for disadvantaged communities and tracks performance.
4. Section 12-503 (page 35, lines 10-16) for creating building standards allows for a local waiver based on the social cost of carbon calculations provided by the Department: *County staff recommends that these waver opportunities be removed or reviewed by the State.* For example, waivers may be given for water and heating equipment if cost is greater than the social cost of the GHGs, as determined by the local jurisdiction. This will be challenging if not impossible to enforce for local jurisdictions to examine the waivers and doesn’t align with the efforts of the Act.
5. Section 3-602.1 (page 37, line 26) requires state funded buildings (any building receiving 25% of funding from the state) of 7,500 square feet or greater of new construction or major renovations must meet High Performance Building Requirements of LEED Silver and to also meet or exceed LEED Zero or achieve a net-zero energy balance (page 38, lines 11–18): *County staff recommends a minimum LEED Gold requirement.* LEED Silver is not in alignment with LEED Zero or net-zero energy balance.