

SB0528 - Climate Solutions Now Act of 2022

Date: March 24, 2022

Committee: House Environment and Transportation Committee

Position: Favorable with amendments

Victoria Venable, Maryland Director - Chesapeake Climate Action Network Action Fund

On behalf of the Chesapeake Climate Action Network Action Fund, I urge a favorable report from the committee on **SB0528 - Climate Solutions Now Act of 2022**. While CCAN Action Fund strongly supports this bill, we offer several amendments to ensure implementation goes smoothly and to maximize the positive impact of the bill.

The CCAN Action Fund is the advocacy arm of Chesapeake Climate Action Network, a grassroots organization dedicated exclusively to fighting for bold and just solutions to climate change in the Chesapeake region of Maryland, Virginia, and Washington, DC. A recent report from the Intergovernmental Panel on Climate Change, issued in August of 2021, has declared a “code red for humanity” due to rapidly worsening climate change. The report declared that nations have delayed curbing their fossil-fuel emissions for so long that they can no longer [stop global warming from intensifying](#) over the next 30 years. However, there is still a short window to prevent the most harrowing future. SB0528, the Climate Solutions Now Act of 2022, puts forward goals and programs that serve as a down-payment on the climate action we need to meet this urgency.

We urge the committee to support the current strengths of Climate Solutions Now and resist any weakening amendments. We also urge the committee to consider amendments to strengthen key areas of the bill.

Strengths of Climate Solutions Now

- Updating our GHG Reduction Plan - [SB528](#) sets a goal of 60% reductions by 2030, to reach net-zero GHG emissions by 2045 and updates our methane accounting practices.
- Reducing emissions from our buildings - [SB528](#) directs the Maryland Dept. of the Environment (MDE) to create a Building Energy Performance Standard for existing buildings to reduce the direct emissions from state-owned buildings by 50% by 2030 and large private buildings by 30% by 2035. It also requires state-owned buildings to reach net-zero emissions by 2035 and private buildings to reach net-zero emissions by 2040.
- Piloting Net-Zero School Construction - [SB528](#) provides funding for at least one new net-zero school in each county by 2033.
- Promoting Climate Equity - [SB528](#) directs the MDE to study cumulative impacts and define/identify communities disproportionately affected by climate change, creating a Climate Justice Corps to assist the state in achieving GHG targets, establishing a Just Transition Employment and Retraining Working Group, and establishing the Climate Catalytic Capital Fund (administered by the Maryland Clean Energy Center) to support projects to reduce GHG emissions in low-to-moderate income (LMI) communities.

- Electrifying our state-owned vehicles - [SB528](#) requires that a portion of the passenger cars and light-duty vehicles purchased for the state fleet be ZEV starting with passenger cars in fiscal year 2023 and reaching 100% of all new light-duty vehicles by 2027. It also requires all new contracts for the purchase or use of a school bus to be zero-emission vehicles, starting in 2025.

Opportunities for the House to improve Climate Solutions Now

Ensuring the Electrification Study is efficient, legitimate, and inclusive

New provisions in SB528 direct the Public Service Commission (PSC) to study the state's electric grid infrastructure to determine if it is capable of accommodating the additional load of building electrification. As written, the bill gives a lot of deference to utilities without any assurances of stakeholder engagement, data transparency, or guidelines to ensure accurate and legitimate results. Amendments need to be made to ensure that the PSC study is done accurately, efficiently, and with broad electrification in mind.

Improving the Building Energy Performance Standard program

First, the language in SB528 regarding exceptions from the Building Energy Performance Standards is overly broad and vague. Some categorical exemptions in the bill are appropriate, such as for historic properties. The legislation already directs MDE to create rules that offer maximum flexibility, including special provisions for unique circumstances or the ability to pay an alternative compliance fee. The legislation should be amended to clarify building types and conditions which may warrant special consideration, but not additional exceptions.

Second, a successful program must have clear guidance for what information a building owner is expected to report and how. Initially, the Senate bill was clear that building owners should report their electricity and gas usage (found on their utility bills). It also specified a widely-accepted tool, Energy Star Portfolio Manager, or another similar benchmarking tool should be used. However, this language was removed, leaving only a confusing requirement that building owners report on their emissions, which is overly burdensome and hard to do. The legislation should be amended to require building owners to report on electricity and gas usage, fuel type, and square footage, and to direct MDE to adopt an easy, available reporting tool, so they can calculate direct emissions for building owners. These amendments will make it easier for building owners to comply and provide MDE with the information they need.

Electrifying our state-owned buildings

Though provisions to electrify new private buildings were removed from SB528, we have an opportunity for state buildings to lead by example. We should amend the bill and add provisions from HB806 that require all newly constructed buildings that receive 25% or more of their funding from the state to meet water and space heating needs with electric systems.

Defining “overburdened” and “underserved” communities

Over the last several months, a coalition of community, legal, research, and advocacy groups from across the state worked on consensus definitions for overburdened, underserved, and environmental justice communities across legislative proposals. The indicators used to identify underserved communities are based on U.S. Census data to capture communities with a higher proportion of non-white, low-income, and linguistically isolated residents than the statewide average. The indicators used to identify overburdened communities are based on exposure to environmental harm, health risk, and access to decision-making. As MDE undertakes the work to identify communities disproportionately affected by climate solutions, we

recommend using these consensus definitions of “overburdened” and “underserved.” Including these definitions in the bill text is critical and will save MDE and the CEJSC time and money as they direct climate investment to communities that need it the most.

Aligning EmPOWER and SEIF with climate and energy goals

Climate Solutions Now, as well as several other state laws and bills under consideration, expresses Maryland’s intent to move towards electrification. Yet, funding from EmPOWER and the Strategic Energy Investment Fund (SEIF) still incentivize fossil fuel energy systems. Amendments should include:

- Provisions from HB708 that prohibit the use of EmPOWER Funds for fossil fuel systems and encourage and promote the replacement of fossil fuel systems with electric systems should be added to SB528.
- Provisions that specify that SEIF funding can only be used for new fossil fuel projects if they have lower GHG than all-electric options.
- The core objective of EmPOWER should shift from focusing solely on reduced electricity consumption to emphasizing reduced/avoided greenhouse gas emissions

Landfill methane

Methane is a potent greenhouse gas and must be effectively and efficiently monitored and controlled. Unfortunately, the amended language in SB 528 now carves out so many exceptions that we believe this will hurt efforts to monitor and control this pollution source. We request that the landfill methane section (page 22 line 30 through page 24 line 16) be removed from the bill.

Climate change is a complex and intersecting issue, which will require comprehensive and iterative solutions. With 3,000 miles of tidal shoreline, Maryland is one of the [most climate-vulnerable states in America](#) – just from sea-level rise. The Climate Solutions Now Act begins to tackle this problem.

Thank you for your consideration of SB0528, Climate Solutions Now. For all the reasons stated above, we urge a favorable vote from the committee.

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