



Maryland  
Hospital Association

February 25, 2022

To: The Honorable Kumar P. Barve, Chair, House Environment & Transportation Committee

Re: Letter of Support with Amendments- House Bill 831- Reducing Greenhouse Gas Emissions  
– Commercial and Residential Buildings

Dear Chair Barve:

On behalf of the Maryland Hospital Association's (MHA) 60 member hospitals and health systems, we appreciate the opportunity to comment in support of House Bill 831 with amendments. Maryland hospitals support and lead efforts to combat climate change to secure a healthy planet for our future, but **we are concerned the bill may have overlooked the unique needs of hospitals to ensure continuous delivery of life-sustaining care to patients. We urge the Committee to convene a health care task force to understand the impact of new building standards on hospitals before imposing requirements.**

HB 831 aims to reduce greenhouse gas (GHG) emissions through a number of mechanisms. Among other things, the bill would require the Department of the Environment to establish building emission standards, create the Building Energy Transition Implementation Task Force to study certain matters, and require the Maryland Department of Labor to update building standards.

MHA supports the intent to reduce GHG emissions and combat climate change. However, the proposals may inadvertently hinder patient care. Hospitals also would face financial challenges in meeting the requirements. In Maryland, the state regulates hospitals' revenues by setting fixed global budgets. Plus, many hospitals already have secured permits and design plans for new buildings, which may conflict with some requirements in the bill.

There are two areas of concern:

*Requirements for new buildings*

The bill would require the Maryland Department of Labor to adopt by January 1, 2023, (1) a requirement that new residential and commercial buildings meet all water and space heating demands without the use of fossil fuel and (2) electric-ready standards to ensure that new buildings are ready for the installation of solar energy systems, the installation of electric vehicle charging equipment, and building-grid interaction.

Hospitals today are required to have robust resiliency planning, which conflicts with these provisions. For instance, **federal regulations that govern hospitals' ability to contract with Medicare and Medicaid ("Conditions of Participation") require hospitals to maintain an**

**adequate fuel supply to sustain essential services in the event of a power interruption, such as a natural disaster.** Under existing technology, diesel fuel, natural gas, and other forms of fossil fuel are more dependable for this purpose. We fear the proposed requirement that new buildings must meet heating demands without fossil fuel would contravene federal mandates and jeopardize hospitals' emergency response. A recent New York City legislation that imposed similar restrictions on natural gas and fossil fuel, for instance, recognized the unique obligations of hospitals and created an exception for the sector. **Hospitals should be exempt from this requirement until a reliable fossil fuel alternative is readily available.**

*Requirements for existing buildings*

For commercial buildings that have a floor area of 25,000 square feet or more, the bill would require the Maryland Department of Environment to develop building emission standards. Under the bill, the owner of covered buildings must measure and report direct emissions annually beginning 2025, achieve a 20% reduction in direct building emissions by January 1, 2030, and attain net-zero by January 1, 2040.

Again, we are concerned the specific proposals may negatively affect patient care. **Unlike other commercial buildings, hospitals must have continuous and reliable energy to ensure they can deliver and maintain lifesaving care 24/7/365.** Ventilators and life support systems cannot afford any interruptions and hospitals must have reliable methods to sterilize surgical instruments. These unique demands require hospitals to utilize all available energy sources or risk jeopardizing patient safety. While hospitals are using best efforts to reduce emission and identify clean energy sources, **we are concerned the existing supply of clean energy alternatives is not sufficient to meet hospitals' needs by the dates set out in the bill.**

During 2021 interim, the Maryland Commission on Climate Change worked to develop the *Building Energy Transition Plan*. That comprehensive effort did not include hospitals nor the unique considerations. **For these reasons, we ask the Committee to create a health care task force to study the unique needs of hospitals and other health care providers.** The task force should include sustainability experts knowledgeable with health care facility needs and representatives from the hospitals. The task force can develop recommendations that balance care delivery, patient safety, and climate change considerations. The task force should work expeditiously to propose emission and building standards, but until a workable solution is developed, hospitals should be exempt from the proposed requirements described above to avoid patient harm.

We appreciate the Committee's consideration and look forward to working with stakeholders to move this issue forward.

For more information, please contact:  
Brian Frazee, Vice President, Government Affairs  
Bfrazee@mhaonline.org