MARYLAND LEGISLATIVE COALITION

TESTIMONY FOR SB0528
CLIMATE SOLUTIONS NOW ACT

Bill Sponsor: Senator Pinksy
Committee: Environment and Transportation
Organization Submitting: Maryland Legislative Coalition
Person Submitting: Cecilia Plante, co-chair
Position: FAVORABLE WITH AMENDMENTS

I am submitting this testimony in favor of SB0528 with amendments on behalf of the Maryland Legislative Coalition. I am speaking for the more than 30,000 citizen lobbyists in our Coalition.

We love this bill. It is a bold, comprehensive attack on the climate crisis and a recognition that we must have a multi-pronged approach if we are to ever get to net zero emissions. We are impressed with all the sectors of greenhouse gases that it targets - the reduction of emissions in transportation with the zero-energy buses and state fleets; the focus on building all electric buildings and reducing emissions in existing buildings; and the support of solar tax incentives that will help 'green' our grid. We love the aggressiveness of the new greenhouse gas reduction targets, and the change in methane accounting. However, we are especially impressed with the provisions that deal specifically with climate justice because we feel that you must lead with equity and take care of the people who will be most disadvantaged by the transition that we must make to have a cleaner future.

There is much to like in this bill. We love the idea that we should not be digging a deeper hole by continuing to support fossil fuel infrastructure in buildings. We agree that we should not be building a greater reliance on fossil fuels. The only weakness that we see in the legislation centers around the building of net zero schools. The bill calls for building only one net zero school in each district between 2023 and 2033.

With the Built to Learn Act funding available, we are about to make the biggest investment in schools that we have made in decades. Building, or upgrading schools, with fossil fuel technology is a poor investment, given that the Maryland Commission on Climate Change has estimated that gas prices will be 2 to 5 times higher than current levels within ten years. Additionally, over the next ten years, fossil fuel infrastructure will be harder to maintain and replace. Schools do not get a lot of money for renovation, so what we are building today will be what we see in 30 years. We can't afford that. Building anything but net zero, or net zero ready schools is an expensive waste of taxpayer dollars and a mistake in terms of reaching our greenhouse gas emissions targets.

We understand that funding is always a concern, and we think that the Net Zero School Grant fund that will be put in place to help schools meet the requirement to build at least one net zero school in each school district, is a great idea. But if we only build one net zero school in each district, we are still digging

a pretty big hole. Especially since the net zero schools that we have built recently were similar in cost, or less costly, than building schools with fossil fuel infrastructure. So, although the idea of building one net zero school is better than building none, but we are hoping that the legislature will see that making an investment in building *all* net zero schools, or net zero ready schools, is really the better financial option.

Maryland needs to do this. We have been held hostage by fossil fuel companies for way too long, and it is time that we made an effort to give our children a cleaner, greener future.

As members of the Climate Partners, we support this bill and recommend a **FAVORABLE WITH AMENDMENTS** report in committee. Suggested amendments are listed below.

Amendments coordinated by the Maryland Climate Partners

Opportunities for the House to strengthen 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.