



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB61
Building Energy Performance Standards Act of 2022
Testimony by Delegate Vaughn Stewart
January 19, 2022 • Environment and Transportation Committee

What the Bill Does:

HB61 would empower charter counties to effectively enforce Building Energy Performance Standards (“BEPS”). BEPS is one of the most powerful policy tools available to drive energy improvements in existing buildings. By setting minimum energy performance standards, BEPS encourage buildings to improve their energy efficiency and reduce carbon emissions.

Current state law limits the types and amounts of civil fines that charter counties can impose. The status quo hamstrings counties who want to establish a BEPS program that is enforceable rather than toothless. HB61 allows charter counties to impose civil fines that amount to more than a mere slip on the wrist.

Why the Bill Is Important:

Existing buildings are one of the largest sources of carbon pollution in the state. In fact, in the state’s more urban counties and Baltimore City, energy use in the building sector is the single largest contributor to greenhouse gas emissions. The majority of these emissions are indirect emissions from electricity generated off-site to power buildings. The remainder are direct emissions, primarily from on-site combustion fossil fuels for heating, hot water, and cooking. The math is clear: We cannot achieve the state’s climate goals without significant advancements in building energy efficiency.

Buildings can’t all be made high-performance buildings immediately. BEPS is a forward-thinking policy commitment in which a city, county, or state establishes a long-term, high-performance standard, with interim targets that ratchet up over time. BEPS works by grouping buildings by property type and assigning each property type with a long-term performance standard. All buildings within a property type must meet the same final performance standard by the designated compliance deadline.

Beyond carbon reduction, BEPS yields other important benefits. First, working in buildings is incredibly labor intensive. A BEPS policy creates massive opportunities for jobs in

architecture, engineering, construction, equipment sales, and installation services. Moreover, high-performance buildings lower utility costs and improve air quality for occupants—both businesses and residents—of large buildings.

Building owners can defray retrofitting costs with the help of many different financing programs, including EmPOWER Maryland utility incentives, federal tax rebates, and assistance from the Maryland Energy Administration.

Jurisdictions such as St. Louis, New York City, Washington State, and Washington, DC have established building performance standards. And here in Maryland, Montgomery County has been analyzing and debating a BEPS program of its own.

Why the Committee Should Vote Favorably:

State law currently allows counties to impose relatively small civil penalties, except in prescribed situations. HB61 would raise that cap for BEPS policies to ensure that local jurisdictions can set up an effective system of alternative compliance payments. These penalties not only induce compliance, but can also be directed back to the owners of the worst-performing building who need extra assistance.

The state should allow local jurisdictions to tackle climate change using one of the most effective policy tools available. I urge a favorable report.