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Baltimore County

Education, Energy, and the
Environment Committee



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TESTIMONY IN SUPPORT OF SB318
INCOME TAX- HEALTHY INDOOR AIR QUALITY TAX CREDIT

Budget & Taxation Committee
February 8, 2023

Chair Guzzone, Vice-Chair Rosapepe and Members of this Committee,

Thank you for the opportunity to testify before you on SB318, Healthy Indoor Air Quality Tax Credit. The purpose of this bill is to provide a tax credit for the installation of indoor air quality (IAQ) equipment in certain residential or commercial properties. Qualifying residential properties include the taxpayer's residence or a single or multifamily residential rental, with 4 or fewer units. The tax credit may not exceed \$1000 for individuals and residential property owners and \$2,000 for small businesses.

“Indoor air quality equipment” means equipment that is installed by a licensed Heating, Ventilation and Air Conditioning (HVAC) contractor and improves indoor air quality, including enhanced ventilation and filtration systems, bipolar ionization technologies, or ultraviolet lighting.

During these unprecedented times resulting from the COVID-19 pandemic individuals are spending unsurmountable amounts of time in their homes. Now, more than ever, it is important those residences offer proper ventilation and filtration. Furthermore, it is equally important for small businesses to offer a quality clean air workplace for employees. The installation of IAQ technologies offers that security and helps in limiting the spread of viruses.

The Clean Energy Jobs Act (CEJA), set a goal of 50% renewable energy by 2030. During the 2020 session, this legislative body altered CEJA by the altering the definition of “clean energy industry” to include HVAC. SB318 provides incentive to homeowners, landlords, and small business owners to upgrade their HVAC systems to secure healthier cleaner air quality for their residents, tenants, and employees, while moving them one step closer to securing energy efficiency.

On a federal level, The Hope for Homes provision of the Inflation Reduction Act of 2022 incentivizes energy efficiency upgrades to homeowners while cutting monthly energy usage and cost. It stimulates the energy efficiency market for jobs and suppliers, invests


in workforce training for this crucial industry and combats the climate crisis by promoting clean, energy efficient technology.

As we look to tackle the global climate change, one of our best tools in mitigating our CO2 emissions is improving energy efficiency in American homes. Not only will this reduce energy cost for Marylanders, but it will also reduce our energy consumption across the board. Addressing the climate emergency is not just a challenge, it is also an opportunity to create jobs and save Americans money.

In conjunction with the federal Hope for Home Act, SB318 allows homeowners to be part of the solution by providing them rebates to invest in energy efficiency improvements while providing the security of a cleaner healthier home.

For these reasons, I am requesting a favorable report.

With kindest regards,

A handwritten signature in cursive script that reads "Benjamin T. Brooks".

Benjamin Brooks