

Wes Moore, Governor · Aruna Miller, Lt. Governor · Atif Chaudhry, Acting Secretary

BILL: Senate Bill 424

Public Projects – Global Warming Potential of Materials

**COMMITTEE:** Senate Budget and Taxation

**DATE:** February 22, 2023

**POSITION:** Letter of Information

Upon review of Senate Bill 424 – Public Projects – Global Warming Potential of Materials (Buy Clean Maryland Act), the Department of General Services and the Maryland Green Building Council (MGBC), provides these comments for your consideration.

This bill utilizes Global Warming Potential (GWP), a measurement of a product's impact on climate temperature to create a maximum limit of acceptable greenhouse gas emissions for a material or product. GWP is the measure of the total energy that a gas absorbs over a period of time (typically 100 years), compared to carbon dioxide (which has a GWP measurement of 1). As defined in the bill an "eligible material" is any form of cement or concrete mix used in an eligible product would be subject to the bill's provisions. The bill requires DGS to establish the maximum GWP limit. Due to the highly technical nature, DGS would procure a consultant to assist with the research and development of this set of GWP limits based upon industry averages as the bill requires. Once limits have been established, DGS will need to ensure all projects falling under the scope of this bill include concrete and cement products that meet those established limits.

Environmental Product Declarations (EPDs) are like "nutrition labels" for products created by a manufacturer that provide disclosure of the carbon impact of a product. To verify compliance with GWP limits, DGS would require the submission of product-specific EPDs and would then need to verify that products fall within the established thresholds. The measurement of the climate impact of concrete could be accomplished through a coordinated approach on State of Maryland design and construction projects through EPD standards established by the Maryland Green Building Council's (MGBC) High-Performance Green Building Program. Compliance verification during each state entity's procurement, quality assurance program and construction submittals, testing and inspection phases would also be performed. Such an approach would require compliant EPDs to be submitted and verified for each project. It would require an additional staff or the use of a consultant to assist with each project's review process.

Page 2 Senate Bill 424 DGS Letter of Information February 22, 2023

Per Chapter 38, 2022 Maryland Laws (Senate Bill 528), effective June 1, 2022, the **MGBC** examined the use of EPDs to measure the climate impact of concrete and compiled its findings in a report linked <u>HERE</u>. There are several recommendations made in the report that may make the legislation less burdensome on vendors, including the inclusion of financial incentives for vendors to obtain EPDs for their products.

The MGBC supports the intent of the legislation, to decrease greenhouse gas emissions and their impact on the atmosphere. We respectfully request consideration of the following amendments to this bill.

Apply the bill's provisions to the High Performance Green Building Program, State Finance and Procurement Article § 3-602.1.

Create a new section under State Finance and Procurement Article § 4-903 stating the Green Purchasing Committee (within DGS) has a year to assess EPD data for GWP limits:

 Page 2, line 21 insert "(A) BY DECEMBER 31, 2025, ENVIRONMENTAL PRODUCT DECLARATIONS SHALL BE SUBMITTED TO THE DEPARTMENT TO ASSESS GLOBAL WARMING POTENTIAL FOR ELIGIBLE MATERIALS USED IN AN ELIGIBLE PROJECT IN ACCORDANCE WITH THIS SECTION."

To include a 1 year period of "disclosure" - require EPDs to be submitted prior to setting a mandatory limit, which will give the Green Purchasing Committee (within DGS) the time to collect data before setting the mandatory limit. This changes the date to establish a GWP limit to 2026 so the Green Purchasing Committee can collect EPD data for a year:

- Page 2, line 21 strike "2025" insert "2026"
- Page 2, line 21 strike "(A)" insert "(B)"

For additional information, contact Ellen Robertson at 410-260-2908