



**Testimony to the Senate Education Energy and the Environment Committee  
HB864 Energy Efficiency and Conservation Plans  
Position: Favorable**

March 21, 2024

The Honorable Brian Feldman, Chair  
Senate Education Energy and the Environment Committee  
3 East, Miller Senate Office Building  
Annapolis, MD 21401  
cc: Education Energy and the Environment Committee

Honorable Chair Feldman and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a statewide coalition of individuals and organizations that advances economic rights and equity for Maryland families through research, education, direct service, and advocacy. Our 12,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland.

We are here in support of HB864 as amended, which would build on EmPOWER Maryland, the state's successful energy efficiency program, by helping homeowners and businesses save money through energy efficiency rebates, aligning the program with the state's climate goals, and maximizing the use of federal energy efficiency funds available from the Inflation Reduction Act. We believe that everyone should have access to clean and efficient energy sources in their homes, regardless of income level.

While the legislature has made clear it intends to shift away from fossil fuels to power our homes and buildings, EmPOWER is not currently in line with the state's plan. Because its goals are currently measured in electrical savings, EmPOWER does not adequately prioritize some of the most efficient electric equipment, like electric heat pumps, which are [two to three times](#) more efficient than gas furnaces even amid the depths of winter weather.

One of the major reasons we support this bill is the impact it would have on low to moderate income households through the lowering of utility rates. As utility prices continue to go up, and BGE announced an impending \$408 million rate hike, our state must be taking action to bring energy efficient appliances and materials into as many low-income households as possible. This bill directs the Department of Housing to staff multilingual community outreach specialists to promote the programs and help low-income households access federal and state incentives. It also brings down costs to utility customers by lowering the rate of return to utilities on existing EmPOWER debt.

Additionally, this bill is crucial for public health, as both climate change and fossil fuel burning appliances have a major impact on health, with disparate outcomes affecting children and the

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elderly most. Gas burning appliances inside homes are highly linked to increased cases of asthma and other respiratory illnesses. For example, nitrogen dioxide exposure that is comparable to that from a gas stove increases the odds of children developing a respiratory illness by [about 20 percent](#). Considering the high price point of energy efficient and electric appliances, this means that households with higher incomes are less susceptible to respiratory illnesses caused by exposure to gas appliances.

There are also climate justice implications, as Black and Brown residents are most likely to live in climate burdened communities or homes with [older](#), gas burning appliances. In Baltimore City, [20% of children](#) (about 24,000) have an asthma diagnosis, which is more than double the national prevalence of 9%, and pediatric asthma-related emergency department visits occur in Baltimore at more than double the statewide rate. We must be taking action to reduce racial and wealth disparities as climate change continues to worsen public health outcomes. This bill is a step towards bringing efficient and clean energy appliances into the homes of those who would otherwise not be able to afford them.

For these reasons we urge your favorable report on HB864.

Best,  
Zoe Gallagher, Policy Associate

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