



Maryland

Energy Administration

TO: Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee
FROM: MEA
SUBJECT: HB 1240 - Fossil Fuel-Powered Appliances and Vehicles - Installation, Use, and Fees
DATE: March 6, 2024

MEA Position: UNFAVORABLE

This bill seeks to prohibit various agencies and governing bodies from prohibiting, taxing, or limiting the use of fossil fuels, including propane. Generally, these bans on bans counter the broader intent of the greenhouse gas pollution requirements of the Climate Solutions Now Act of 2022 and Governor Moore’s 100 percent clean energy requirement for the state.

The bill would prohibit the Maryland Department of the Environment (MDE), the Maryland Department of Housing and Community Development (DCHD), and a county or a municipality from prohibiting the use or installation of natural gas– and propane–powered appliances in new construction or large renovations. Besides usurping the rights of counties and municipalities to enact their own rules, the bill also contravenes the intent of state decarbonization policy. In *The Building Energy Transition Implementation Task Force Final Report* (January 24, 2024), p. 15 for example, the MDE and MEA recommend that state investments and spending be redirected to support decarbonization instead of supporting new natural gas equipment or infrastructure. As the Report noted, investments in new equipment made now will lock that equipment in for 15 to 30 years. The Report did not recommend a ban on fossil fuels, but rather “a reprioritization of where scarce government appropriations is directed.” Id. While there is no ban on fossil fuels planned or pending at the state level, there is a clear intent to embrace policies that promote fuel switching and electrification.

The bill would also prohibit the Motor Vehicle Administration from charging a fee based on a vehicle’s use of gasoline. Such a prohibition would run counter to statewide goals of electric vehicle deployment and use of incentives to get there.

Therefore, the Maryland Energy Administration urges the committee to issue an **unfavorable report**.

Our sincere thanks for your consideration of this testimony. For questions or additional information, please contact Landon Fahrig, Legislative Liaison, directly (landon.fahrig@maryland.gov, 410.931.1537).