



**The Maryland Department of the Environment
Secretary Serena McIlwain**

***House Bill 990
Environment - Greenhouse Gas Emissions Reductions - Manufacturers***

Position: Support
Committee: Environment & Transportation
Date: March 1, 2024
From: Hadley Anthony

The Maryland Department of the Environment (MDE) **SUPPORTS** HB 990.

Bill Summary

House Bill 990 would exclude cement production from the definition of “manufacturing,” which is exempted from certain greenhouse gas (GHG) regulations required pursuant to § 2-1205(g) of the Environment Article. The change in the definition will allow regulations adopted by State agencies to limit GHG emissions from cement manufacturers.

The bill will also modify the application of § 2-1205(g) to only those persons who engaged in manufacturing in 2023, and prohibit regulations adopted pursuant to final statewide GHG reduction plans from requiring any manufacturer to reduce GHG emissions below emission levels for that manufacturer in 2023, or causing an increase in costs to a manufacturer that are “significantly beyond” the costs that were incurred by the manufacturer in 2023.

Position Rationale

The manufacturing sector GHG reduction exemptions detailed in §§ 2–1202 and 2–1205 of the Environment Article constrain the regulatory authority of the State to mandate the reduction of GHG emissions from the manufacturing sector or to issue any regulation that significantly increases the cost of operation for manufacturers. This bill would implement a recommendation from the Maryland Commission on Climate Change by allowing MDE to regulate GHG emissions from the cement industry which was responsible for approximately 1.8 million metric tons of CO₂e emissions in 2020 and allow MDE to regulate any increase in GHG emissions above 2023 levels for non-cement manufacturers that were operating in the state in 2023, within certain cost parameters.

Maryland’s Climate Pollution Reduction Plan emphasizes the importance of an “all-of-economy” approach to decarbonization. Two cement production facilities in Maryland represent the two largest point-sources of GHG emissions from manufacturing in the State. House Bill 990 would open new regulatory avenues for the state to reduce point-source GHG emissions from cement production.

Accordingly, MDE asks for a **FAVORABLE** report for HB 990.