

February 27, 2025

The Honorable
Chairman, Senate EEE Committee
2 West Miller Senate Office Building
Annapolis, Maryland 21401

RE: SB807 - Environment - Local Building Energy Performance Standards - Authorization

Dear Chair Smith:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding SB807 Environment - Local Building Energy Performance Standards - Authorization. MBIA **Opposes** the Act in its current version.

This bill authorizes Maryland counties to develop and adopt local building energy performance standards that are at least as stringent as the state standards established by the Department of the Environment, provided these local standards receive departmental approval. The bill requires the Department to develop statewide building energy performance standards aimed at reducing greenhouse gas emissions by 20% by 2030 and achieving net-zero emissions by 2040. Counties can create local standards that are either equally or more stringent than the state standards, or designed to achieve greater overall energy and greenhouse gas reduction benefits. If a county's standards are approved, they can enforce these standards through methods like establishing alternative compliance pathways and imposing fees and penalties.

The industry has concerns with the proposal due to unintended consequences such as creating confusion with counties adopting potentially different standards than the state. Building Energy Performance Standards are complex performance targeted standards that present challenged to building owners and operators, having to potentially comply different standards in each jurisdiction with only add time and cost, delaying these targets being met. Additionally, funding sources or aide for buildings that need to make retrofits is going to be necessary. If a building is compliant with state regulations but not the county they are operating in and the county cannot provide assistance in reaching the goal the owner or operator is then subject to penalties. Also important to point out that in two major counties, rent control policies are in place that will prohibit any needed funds to retrofit if need be in order to comply. There should be at least uniformity with BEPS standards statewide.

For the reasons stated above, we would urge the committee to give a UN Favorable report.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate EEE Committee