

March 3, 2025

The Honorable Marc Korman  
Chairman, Environment and Transportation Committee  
Room 251, House Office Building  
Annapolis, Maryland 21401

**RE: HB 1415 Environment – Building Energy Performance Standards and Energy Use Intensity Targets – Exemptions**

Dear Chairman Korman:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 1415 Environment – Building Energy Performance Standards and Energy Use Intensity Targets – Exemptions**. MBIA supports the act in its current version.

This bill prevents MDE from requiring covered buildings that received a use and occupancy permit before a June 1, 2022 to comply with energy use intensity (EUI) requirements until lighting systems, HVAC systems, or other major components reach the end of their life.

As Governor Moore has made clear, the state of Maryland faces a housing crisis. As of 2024, the State was at least 120,000 units short according to the National Association of Realtors and Freddie Mac – and the deficit is growing.

Despite that shortfall, MDE's own studies concluded that the Building Energy Performance Standards will cost building owners nearly \$17 billion dollars between now and 2040:

Results from a 2023 study by the U.S. Department of Energy's Lawrence Berkeley and Pacific Northwest National Laboratories demonstrate that during BEPS implementation (2025-2040), all covered buildings combined will spend more on efficiency measures (\$8.8B) and electrification measures (\$6.4B) than the energy cost savings accrued in this period (\$8.96B).

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The exemption proposed in House Bill 1415 will provide significant financial relief to property owners who would normally have to upgrade major components immediately to comply with Building Energy Performance Standards (BEPS).

For these reasons, MBIA respectfully requests the Committee give this measure a favorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or [lgraf@marylandbuilders.org](mailto:lgraf@marylandbuilders.org).

cc: Members of the House Environment & Transportation Committee