



March 3, 2025

House Bill 1415 Wednesday, March 5, 2025

Committee: House Environment and Transportation Committee

Position: Favorable

Dear Chair Korman and Members of the Committee,

I am writing on behalf of the Washington County Chamber of Commerce, with 675 member organizations representing over 40,000 employees, in support of **HB 1415**, **Environment - Building Energy Performance Standards and Energy Use Intensity Targets – Exemptions.** 

The legislation exempts covered buildings that received a use and occupancy permit before June 1, 2022, from compliance with building energy performance standards (BEPS) and energy use intensity (EUI) targets until it becomes necessary to replace lighting, heating, ventilating and air conditioning (HVAC) systems or other major components of the covered building due to the failure of those components or as a result of the end of life of those components.

Washington County businesses understand the goals of the Climate Solutions Now Act (CSNA) and pursuing cost-effective opportunities to reduce greenhouse gas emissions. However, the BEPS regulations implemented in December of 2024 by the Maryland Department of the Environment (MDE) are not cost-effective – rather they are costly.

The cost to the estimated 270+ companies or individuals who own, operate or lease Washington County BEPS "covered buildings" is staggering. As outlined in the final BEPS regulations, with Energy Use Intensity (EUI) standards, covered building owners throughout Maryland are estimated to spend more than \$15 billion dollars in required efficiency and electrification measures to receive over \$8 billion in energy cost savings. Local and state governments also covered building owners under the BEPS regulations. New and additional costs will be passed on to state agencies, to local governments, and to their taxpaying citizens, as well.

The Chamber's concern is many building owners will be forced to spend money on electrification and weatherization efforts to meet BEPS interim goals prior to their building equipment's normal end of life. This does not seem to be reasonable, it is not cost-effective for businesses, and it will dramatically increase costs for businesses and non-profits throughout Washington County.

Again, the Washington County Chamber of Commerce, on behalf of our almost 675 members representing over 40,000 employees, supports **HB 1415**, **Environment - Building Energy Performance Standards and Energy Use Intensity Targets – Exemptions**, and we respectfully ask you to vote in support of this legislation. We believe House Bill 1415 can reduce the significant costs to covered building owners related to the BEPS regulations until their building's equipment needs to be changed at the end of its useful life.

Sincerely,

Paul Frey, IOM

President and CEO

