



House Bill 1415 – Environment – Building Energy Performance Standards and Energy Use Intensity Targets - Exemptions

Position: Favorable

The Maryland REALTORS® supports HB 1415 which would delay Building Energy Performance (BEP) standards until a building is required to replace major components like heating, lighting etc.

While newer buildings are likely to have an easier compliance path with BEP standards, many older buildings in Maryland will have expensive energy retrofits or alternative compliance costs. Those costs are not only borne by building owners but by the building's residential and commercial tenants.

Added to the uncertainty over these costs, residential building owners also have rent control caps in Prince George's and Montgomery Counties. As an example, about 60% of the buildings in Montgomery County must meet both the rent cap as well as the county's BEP requirements. Although the county BEP requirements impact more buildings than the State's, if over half of the buildings in the county must meet both of these requirements, it places more uncertainty over how much of the compliance costs building owners will be permitted to recover.

The Maryland REALTORS® recognizes that the housing industry along with other industries will be moving to electric standards but is concerned about the time frames and requirements under current BEP standards that will impact housing affordability. HB 1415 will provide a more financially manageable path for building owners and tenants.

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