

FINAL BDC_SB 622_ Maryland Strategic Energy Invest

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Position: FAV

SB 622: Maryland Strategic Energy Investment Fund – Required Uses – Building Electrification and Transportation Electrification

Senate Education, Energy, and the Environment Committee

February 26, 2026

Brian O. Jenkins, Mid-Atlantic Senior Regional Manager, Building Decarbonization Coalition

FAVORABLE

The Building Decarbonization Coalition (BDC) is a national nonprofit that unites building industry stakeholders, policymakers, and communities to help buildings transition to clean energy. BDC works across the country to advance practical, market-driven solutions that lower energy costs, create jobs, and improve the health and comfort of the places where we live, work, and learn.

Chair Feldman, Vice Chair Kagan, and distinguished members of the Committee:

Thank you for the opportunity to submit testimony in support of Senate Bill 622 on behalf of the Building Decarbonization Coalition. We respectfully urge a favorable report.

WHAT SB 622 DOES

SB 622 is a practical, targeted update to the Strategic Energy Investment Fund. It explicitly authorizes SEIF to provide loans and grants for building electrification and transportation electrification, effective October 1, 2026. The bill does not create a new program or establish new bureaucracy; it ensures that an existing fund, one already designed to support clean energy and reduce emissions, can be directed toward the electrification investments Maryland families and businesses need most.

SEIF receives revenue from the Regional Greenhouse Gas Initiative and Alternative Compliance Payments under the Renewable Portfolio Standard, generating approximately \$600 million per year. SB 622 puts more of those dollars to work in Maryland communities.

BUILDING ELECTRIFICATION IS AN ECONOMIC OPPORTUNITY

The transition to modern, efficient electric heating and cooling technologies represents one of the most significant economic opportunities available to Maryland today.

Modern electric heat pumps are about three times more efficient than fossil-fuel systems, resulting in lower energy bills for Maryland families. When paired with weatherization and energy efficiency upgrades, the savings are even more substantial particularly for households currently relying on expensive electric resistance heating or delivered fuels like propane and heating oil. These households face some of the highest heating costs in the state, and they stand to benefit the most from SEIF-funded electrification investments.

Beyond bill savings, SB 622 supports job creation across Maryland's growing clean energy workforce. HVAC contractors, electricians, and building trades professionals are seeing increasing demand for heat pump installation and maintenance. Directing SEIF resources toward electrification provides the stable market signal that contractors need to invest in training, hire new workers, and grow their businesses. In our work with contractors across the state, we consistently hear that market certainty, when paired with incentives, drives workforce investment more powerfully than either alone.

ALIGNMENT WITH STATE RECOMMENDATIONS AND GOALS

The Maryland Commission on Climate Change has specifically recommended that the General Assembly authorize SEIF for grants and loans to support building electrification, with a particular focus on households relying on electric resistance heating and delivered fuels. SB 622 delivers on that recommendation.

This bill also advances the emission reduction targets established under the Climate Solutions Now Act of 2022. Buildings account for a significant share of Maryland's greenhouse gas emissions, and electrification — powered by Maryland's increasingly clean electric grid — is the most effective pathway to reducing those emissions while delivering immediate consumer benefits.

CONCLUSION

Maryland has consistently led on smart energy policy, and SB 622 continues that tradition. This bill ensures that SEIF funding is directed toward proven, practical investments that put money back in Marylanders' pockets through lower energy bills, create good-paying jobs in the clean energy workforce, and modernize Maryland's homes and buildings — delivering real results for the families and businesses that call this state home.

The Building Decarbonization Coalition respectfully requests a favorable report on Senate Bill 622.

Thank you for your consideration.

Brian O. Jenkins

Mid-Atlantic Senior Regional Manager

Building Decarbonization Coalition

bjenkins@buildingdecarb.org

SB0622_FAV_CCANAF.docx.pdf

Uploaded by: Brittany Baker

Position: FAV



TESTIMONY OF
BRITTANY BAKER
MARYLAND DIRECTOR

—
MIKE TIDWELL
EXECUTIVE DIRECTOR

**SB0622- MARYLAND STRATEGIC ENERGY INVESTMENT FUND – BUILDING ELECTRIFICATION AND
TRANSPORTATION ELECTRIFICATION**
FAVORABLE
FEBRUARY 23, 2026

Chair Feldman, Vice Chair Kagan, and Members of the Education, Energy, and the Environment Committee,

Thank you for the opportunity to submit testimony in **support** of **SB0622**. This bill takes a straightforward but essential step: ensuring that the Maryland Strategic Energy Investment Fund (SEIF) can be explicitly used to finance building and transportation electrification through loans and grants.

Maryland has set ambitious climate goals, and our existing buildings are one of the largest barriers to meeting them. Buildings account for a significant share of the state's greenhouse gas emissions, and the continued reliance on gas appliances directly harms indoor air quality, contributing to respiratory conditions. Transitioning our homes and buildings to all-electric systems is one of the most effective tools we have to simultaneously reduce GHG emissions, lower energy bills, and protect public health. Buildings directly emit 16% of Maryland's greenhouse gas emissions, making the decarbonization of our existing buildings not optional but essential to meeting the state's goal of achieving net-zero emissions by 2045¹.

The Maryland Energy Administration has previously requested authority to deploy SEIF funds for electrification purposes. **SB0622** answers that call by codifying it into law, giving MEA the clarity it needs to design and fund effective programs. Without this legal clarity, MEA has not been able to use SEIF money for electrification even though it is one of the best tools we have to fight climate change. This bill fixes that and allows the fund to do more for Maryland's clean energy future.

Other states have demonstrated what is possible. Washington State's Clean Energy Fund, established in 2013, has authorized more than \$144 million for capital programs covering grid modernization, transportation electrification, and clean energy deployment.² A recent round of building electrification grants totaling \$9.7 million funded projects ranging from school heat pump installations to multifamily housing upgrades with one project expected to reduce energy bills by over 30%.³ Washington's model

¹ Maryland Department of the Environment, *Climate Change Program*:
<https://mde.maryland.gov/programs/Air/ClimateChange/Pages/index.aspx>.

² Clean Tech Alliance, *The Clean Energy Fund*: <https://www.cleantechalliance.org/the-clean-energy-fund/>

³ Washington State Department of Commerce, *Community Benefits at the Forefront of Nearly \$10 Million in Commerce Building Electrification Grants*:
<https://www.commerce.wa.gov/community-benefits-at-the-forefront-of-nearly-10-million-in-commerce-building-electricity-grants/>

shows that dedicated, flexible funding translates directly into cleaner buildings, lower costs, and healthier communities.⁴

Maryland should not fall behind. **SB0622** provides the financial foundation our electrification transition needs. We urge a favorable vote.

⁴ Sightline Institute, *Washington State Leads in Climate-Friendly Building Policies*:
<https://www.sightline.org/2024/07/31/washington-state-leads-in-climate-friendly-building-policies-for-now/>

SB 622_MDCC_Maryland Strategic Energy Investment F

Uploaded by: Hannah Allen

Position: FAV



Senate Bill 622

Date: February 26, 2026

Committee: Education, Energy, and the Environment

Position: Favorable

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

Senate Bill 622 (SB 622) would require the Maryland Strategic Energy Investment Fund (SEIF) to be used for loans and grants for building electrification and transportation electrification.

SB 622 begins to address a critical funding gap in Maryland's transition to a cleaner and more efficient built environment. The ongoing implementation of the Building Energy Performance Standards (BEPS) places new compliance and cost obligations on owners of covered buildings, particularly large commercial and multifamily properties, which must benchmark, report, and ultimately reduce energy use and carbon emissions over time.

In late 2022 through summer 2023, The Maryland Department of the Environment engaged the U.S. Department of Energy's Lawrence Berkeley National Laboratory and Pacific Northwest National Laboratory to conduct studies and provide technical assistance on BEPS. According to that study, the estimated total cost of implementing BEPS (2025-2040) includes \$8.8 billion for efficiency measures and \$6.4 billion for electrification.¹

BEPS imposes substantial planning, measurement, and capital investment costs on building owners. Without dedicated financial resources, many property owners are left unable to pursue the electrification and efficiency measures necessary to meet performance objectives. SB 622 provides necessary clarity and direction to the Maryland Energy Administration (MEA) by explicitly requiring SEIF dollars to support electrification investments. This legislative commitment will help ensure that MEA prioritizes resources for building electrification programs, including competitive grants and low-interest loans that reduce the upfront cost barriers for electrification projects.

1

[https://mde.maryland.gov/programs/air/ClimateChange/BEPS/MARYLAND%20REGISTER%2012_15_2023%20Building%20Energy%20Performance%20Standards%2050724%20\(3\).pdf](https://mde.maryland.gov/programs/air/ClimateChange/BEPS/MARYLAND%20REGISTER%2012_15_2023%20Building%20Energy%20Performance%20Standards%2050724%20(3).pdf)

We appreciate that SB 622 recognizes the real costs associated with compliance and takes a step toward aligning funding with statewide climate and energy goals. Although the Chamber continues to have concerns about the design and implementation of BEPS, particularly its compliance timeline and cost implications for affected buildings, we believe this bill represents a pragmatic start in addressing funding challenges. The state's electrification and performance-based policies should be accompanied by robust financial support.

For these reasons, the Chamber respectfully requests a **favorable report** on **SB 622**.

Testimony SB622

Uploaded by: John Fiastro

Position: FAV

SCHNEIDER ELECTRIC BUILDINGS AMERICA INC.

SB622 – Maryland Strategic Energy Investment Fund - Required Uses - Building Electrification and Transportation Electrification

Maryland Senate Education Energy and Environment Committee

Thursday, February 26, 2026

Favorable

Good afternoon Chair and members of the Committee.

My name is John Fiastro, and I am here on behalf of Schneider Electric Buildings America in support of Senate Bill 622.

Schneider Electric is an energy services company working with public sector clients across Maryland to modernize facilities, reduce operating costs, and meet the State's climate goals.

SB 622 appropriately directs the Maryland Strategic Energy Investment Fund to provide loans and grants for building electrification and transportation electrification.

These investments are practical, measurable, and aligned with Maryland's long-term decarbonization strategy.

From our experience in the field, one of the biggest barriers facing local governments, school systems, and public agencies is upfront capital. Even when projects pencil out over time, access to flexible funding determines whether those projects move forward.

By prioritizing electrification through SEIF, this bill provides the financial tools necessary to accelerate deployment — whether that is high-efficiency electric HVAC systems, building retrofits, fleet electrification, or supporting infrastructure.

Importantly, these investments lower long-term operating costs for public bodies while reducing emissions and modernizing public facilities.

For those reasons, Schneider Electric respectfully urges a favorable report on SB 622.

Thank you, and I'm happy to answer any questions.

John Fiastro

Fiastro Consulting On Behalf of Schneider Electric Buildings America Inc.

2026.02.24 LWG support for SB622.pdf

Uploaded by: Josh Cohen

Position: FAV

Josh Cohen and Scott Wilson
ZEEVIC Legislative Working Group

February 24, 2026

Senate Education, Energy and Environment Committee

Re: **SUPPORT for SB 622** – Maryland Strategic Energy Investment Fund -
Required Uses - Building Electrification and Transportation Electrification

Dear Chair Feldman, Vice-Chair Kagan, and Members of the Committee:

We write to you as the chair and vice-chair of the Legislative Working Group (LWG) for ZEEVIC, the State's Zero Emission Electric Vehicle Infrastructure Council. ZEEVIC's mission is to evaluate zero emission vehicle (ZEV) ownership and charging station incentives; develop recommendations for a statewide infrastructure plan; and propose policies to promote the successful integration of EVs into Maryland's communities and transportation system.

Context for this letter

To facilitate ZEEVIC's review and consideration of relevant bills, ZEEVIC's chair established a Legislative Working Group. This LWG meets weekly during Session. ZEEVIC's LWG has reviewed SB 622 and is recommending that ZEEVIC formally vote to support the bill. Although the ZEEVIC chair is scheduling two additional ZEEVIC meetings during Session, unfortunately the timing is such that ZEEVIC is unable to formally take a position on SB 622 prior to the February 26 Committee hearing.

Because of this timing, we are writing to advise you that ZEEVIC's Legislative Working Group is recommending a position of SUPPORT by ZEEVIC. Although it would be premature to speak on behalf of ZEEVIC before it formally votes on a position, we believe there is value to this Committee in knowing that the LWG has taken this preliminary step of recommending support.

Comment

Senate Bill 622 is a straightforward and simple bill that amends and clarifies the allowable uses for Maryland's Strategic Energy Investment Fund (SEIF). SB 622 establishes that the SEIF's allowable uses include providing "loans and grants for building electrification and transportation electrification."

ZEEVIC's Legislative Working Group is recommending support for this bill. Supporting transportation electrification is consistent with the SEIF's purpose.

Given the fiscal challenges facing the State's general fund, we believe identifying other funding sources that can be used for transportation electrification is essential to help the state continue to make progress in meeting its statutory emission reduction commitments enacted into law through the Climate Solutions Now Act of 2022. Particularly now, in 2026, as the federal government has changed its posture towards transportation electrification from supportive to oppositional, the need for continued leadership by the State is as strong as ever.

Thank you for your consideration of this input. If you have questions or if we can provide further information, please feel free to email zeevic@mdot.maryland.gov.

Respectfully,



Josh Cohen
Chair, Legislative Working Group
ZEEVIC



Scott Wilson
Vice Chair, Legislative Working Group
ZEEVIC

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Uploaded by: Josh Tulkin

Position: FAV

Committee: Education, Energy and the Environment

Testimony on: SB622

Position: Favorable

Hearing Date: February 26, 2026

The Maryland Chapter of the Sierra Club supports authorizing the Strategic Energy Investment Fund (SEIF) to fund building and transportation electrification as a key resource to meeting the State's climate goals and in turn urges a favorable report on SB 622.

Fuel burned in transportation accounts for approximately 37%¹ of Maryland's greenhouse gas (GHG) emissions and fuel burned in buildings accounts for approximately 16% of emissions. As Maryland works to achieve its climate goals to reduce GHG emissions by 60% (from 2006 levels) by 2031 and reach net-zero by 2045, electrification of transportation and buildings will play an important role in approaching those targets.

Maryland has already demonstrated support for reducing GHG emissions through building and transportation electrification. As called for in the 2023 Climate Pollution Reduction Plan and Governor Moore's June 2024 Executive Order 1, MDE is developing Zero Emissions Heating Equipment Standards and Clean Heat Standards that will reduce emissions from buildings as space and water heating equipment is replaced at the end of its useful life². Through various MEA incentive programs, Maryland has supported the purchase of electric cars, trucks and school buses. Moving forward, funding for electric vehicle charging equipment is becoming increasingly important to support the growing fleet of electric vehicles. The General Assembly now has the opportunity with SB 622 to further contribute to achieving Maryland's climate goals.

Maryland's SEIF generates \$600 million annually³ from the Renewable Greenhouse Gas Initiative (RGGI), which collects fees when electric utilities purchase from fossil fuel generating sources and alternative compliance payments when utilities fail to purchase enough clean renewable electricity. These funds, under the SEIF, are dedicated to investment in new renewable energy, energy efficiency and bill support for low-income households. Maryland's Energy Administration (MEA) manages the SEIF. To date, the SEIF has provided only limited support for electrifying homes and transportation. SB622 will expand MEA's ability to support electrification efforts with the SEIF.

¹ Maryland's 2023 Greenhouse Gas Emissions Inventory, presentation by Maryland Department of the Environment to the Maryland Commission on Climate Change pages 3 and 5.

² 01.01.2024.19, Leadership by State Government: Implementing Maryland's Climate Pollution Reduction Plan

³ Maryland Energy Administration, Strategic Energy Investment Fund, Activities for Fiscal 2025, Volume 1, page 66, published January 2026, <https://energy.maryland.gov/Reports/SEIF%20Vol%201%20FY25.pdf>



P.O. Box 278
Riverdale, MD 20738

In the coming years, as expanding electrification becomes increasingly central to meeting Maryland's climate goals, supporting electrification through the SEIF will become more important. The Sierra Club Maryland Chapter urges approval of SB 622 to further support electrification through the SEIF.

Chris Stix
Buildings Subcommittee Chair
Stixchris@gmail.com

Josh Tulkin
Chapter Director
Josh.Tulkin@mdsierra.org

SB 622_MTBMA_FAV.pdf

Uploaded by: Michael Sakata

Position: FAV



Senator Brian J. Feldman, Chair
Education, Energy, and the Environment Committee
2 West Miller Senate Building
Annapolis, MD 21401

February 26, 2026

RE: SB 622 – FAVORABLE – Maryland Strategic Energy Investment Fund – Required Uses – Building Electrification and Transportation Electrification

Dear Chair Feldman and Members of the Committee:

The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 250 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland’s multimodal transportation system.

Senate Bill 622 would require the Strategic Energy Investment Fund to be used to provide loans and grants for building and transportation electrification.

MTBMA supports SB 622 because it is consistent with our core mission of supporting transportation investment. This bill could expand funding for transportation-related construction work rather than diverting funds away from transportation entirely. This funding would address the shortfalls by diversifying the fund streams supporting transportation infrastructure. Electrification itself provides new infrastructure opportunities for our members, including electric vehicle charging stations and upgrades to Maryland’s roadways. Furthermore, MTBMA supports dedicated funding streams for projects, and this is an innovative way to support important initiatives. We ask for a FAVORABLE vote on SB 622.

Thank you,

A handwritten signature in black ink, appearing to read "Michael Sakata", written in a cursive style.

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association

SB 622 - SEIF - Building and Transportation Electr

Uploaded by: Tom Ballentine

Position: FAV



February 24, 2026

The Honorable Brian J. Feldman, Chair
Senate Education, Energy, and the Environment Committee
2 West Senate Office Building
Annapolis, Maryland 21401

Favorable: SB 622 – SEIF – Building and Transportation Electrification

Dear Chair, Feldman and Committee Members:

The NAIOP Maryland Chapters represent approximately 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate. On behalf of our member companies, I am writing to offer informational testimony on SB 622 which expands the allowable uses of the Maryland Strategic Energy Investment Fund (SEIF) to include loans and grants for building electrification and transportation electrification.

Maryland's Building Energy Performance Standards (BEPS) apply to 9,000 buildings covering more than 988 million square feet of commercial and multifamily floor space. The Maryland Department of Environment has estimated that BEPS compliance will cost \$15 billion – a figure that does not account for electric utility upgrades, borrowing costs or the rising cost of labor and mechanical systems. Compliance by 2040 implies an annual pace of retrofits of 70 million square feet per year.

The assumptions made when BEPS was first conceived included lower capital costs, and higher state and federal incentives to assist with the cost of compliance. Those assumptions have not been realized.

Funding BEPS related building modifications through SEIF would help fill some of the funding vacuum and is in keeping with the purpose and intent of SEIF.

Accordingly, NAIOP respectfully recommends your favorable report on SB 622.

Sincerely,

Tom Ballentine, Vice President for Policy
NAIOP – Maryland Chapters, *The Association for Commercial Real Estate*

cc: Education, Energy, and the Environment Committee Members
Nick Manis – Manis, Canning Assoc.