



February 17, 2026

The Honorable Marc Korman
Environment and Transportation Committee

RE: House Bill 988 Environment – Building Energy Performance Standards – Repeal

POSITION: Favorable

Dear Chair Korman and Members of the Committee,

On behalf of the Ocean City hospitality industry, I respectfully submit this testimony in support of House Bill 988, which repeals the Building Energy Performance Standards (BEPS) in Maryland.

While we acknowledge responsible environmental stewardship and energy efficiency, the current BEPS framework places significant financial and operational burdens on commercial and multifamily properties, particularly those in the hospitality sector. Hotels, restaurants, and mixed-use properties often operate on thin margins and face unique energy demands that are difficult to standardize under a one-size-fits-all mandate.

House Bill 988 provides necessary relief by eliminating rigid compliance requirements that would otherwise force costly upgrades, ongoing reporting obligations, and potential penalties for properties unable to meet aggressive timelines. These mandates create uncertainty for business owners and can delay investment, redevelopment, and job creation.

Importantly, many hospitality businesses are already taking voluntary steps to reduce energy use and improve efficiency through modern equipment, sustainable practices, and customer-driven initiatives. A more flexible, incentive-based approach, rather than prescriptive mandates, could support continued progress without jeopardizing economic stability.

Repealing BEPS will help maintain Maryland's competitiveness, particularly as neighboring states avoid imposing similar burdens on their business communities. It will also allow policymakers to revisit energy policy in a way that balances environmental goals with economic realities.

Finally, fully electrifying buildings will only further exacerbate MD's energy crisis. For these reasons, we respectfully urge a favorable report on House Bill 988. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Susan L. Jones".

Susan L. Jones, Executive Director