Climate Law & Policy Project

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Committee: Environment and Transportation
Testimony on: HB0870 – Maryland Building Performance Standards – Energy Conservation Requirements (Large Buildings for Tomorrow Act)
Submitted by: Donald M. Goldberg, Executive Director
Position: Favorable
Hearing Date: February 25, 2026

Dear Chairman Korman, Vice Chair Guyton, and Committee Members:

Climate Law & Policy Project (CLPP) is a Maryland-based nonprofit research organization that works to develop and promote sound and safe policies to slow, stop, and ultimately reverse the buildup of greenhouse gases in the atmosphere and ensure that vulnerable communities are protected from climate impacts that cannot be avoided. CLPP urges a favorable report on HB0870.

HB0870 establishes energy conservation requirements for construction of covered buildings that are subject to performance standards established by Maryland Department of the Environment under COMAR 26.28. The bill requires MDE to adopt (1) predicted annual net direct GHG emissions of zero, and (2) predicted annual site energy use intensity performance targets, to be determined by MDE. These targets and standards must be consistent across all fuel types. Waivers are available if meeting them would be technically infeasible. Local jurisdictions may adopt more stringent energy conservation measures. If the then current requirements of the International Energy Conservation Code (IECC) are more stringent than COMAR 26.28 for 2040, the IECC requirements will govern.

Building energy performance standards were required by the Climate Solutions Now Act of 2022. CSNA required buildings 35,000 square feet or larger to meet both direct GHG emission standards and site energy use intensity (EUI) standards. This scheme was subsequently altered, delaying adoption of EUI standards until delivery of a yet-to-be-completed study in 2025 (now expected December 2026).

To reduce Maryland's GHG emissions in the building sector, direct emissions standards are not enough; EUI standards must also be adopted. Implementing decarbonization through electrification only, without simultaneously improving building efficiency, would increase peak demand and strain the grid, requiring additional grid improvements paid for by electric ratepayers. With the incorporation of site EUI standards, the public in Maryland could see economic benefits through reduced electricity rates, as the standards reduce strain on the electricity grid.

Building owners would also benefit from the adoption of site EUI standards. A 2024 study by the U.S. Department of Energy's Lawrence Berkeley and Pacific Northwest National Laboratories found that BEPS implementation that includes only emissions standards would cause covered buildings to spend more on efficiency and electrification than they would reap in energy cost savings. With the addition of EUI, the report finds they will see a substantial net savings.

For these reasons, CLPP urges a FAVORABLE report on HB0870.