



**The Maryland Department of the Environment
Secretary Serena McIlwain**

House Bill 870

Maryland Building Performance Standards - Energy Conservation Requirements (Large Buildings for Tomorrow Act)

Position: Support with Amendments
Committee: Environment and Transportation
Date: February 25, 2026
From: Jeremy D. Baker, Director of Government Relations

The Maryland Department of the Environment (MDE) **SUPPORTS** HB 870 **WITH AMENDMENTS**.

Bill Summary

HB 870 would require the Maryland Department of Labor (Labor), by October 1, 2028, to adopt energy conservation regulations for new buildings that are covered by the Building Energy Performance Standards (BEPS). These regulations would require (1) predicted annual net direct greenhouse gas emissions (GHGs) of zero, (2) predicted annual site energy use intensity (EUI) performance targets as determined by MDE, (3) credits or performance thresholds calculated using a Maryland-specific baseline model that does not vary by fuel type, ensuring buildings of different fuel types achieve a comparable average energy efficiency, (4) a waiver process for owners if compliance measures cannot be “reasonably implemented” (e.g. lack of existing technology) and (5) alignment, where possible, with MDE’s existing building regulations.

Under HB 870, local jurisdictions may adopt energy conservation requirements more stringent than those established by MDE. The bill clarifies that covered buildings are obligated to meet these stricter local regulations wherever they apply. Additionally, by calendar year 2040, covered buildings must comply with the more stringent energy conservation requirements established by the International Energy Conservation Code (IECC), if those are stricter than MDE’s BEPS regulations.

Position Rationale

HB 870 aligns with MDE’s existing efforts through the BEPS Program, under which all covered buildings are required by 2040 to achieve net zero greenhouse gas emissions or pay an alternative compliance fee. The bill would help ensure owners of any future covered buildings are knowledgeable about all building requirements for compliance with BEPS, thereby avoiding the need for unnecessary retrofits.

MDE is working with the bill sponsor and Labor on amendments that mitigate potential fiscal or operational impacts on Labor and ensure that local authorities can implement the final standards.

MDE respectfully requests that the Committee consider this information during its deliberations and issue a **FAVORABLE WITH AMENDMENTS** report for HB 870.

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