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Chairwoman Anne R. Kaiser
Room 131
House Office Building
Annapolis, Maryland 21401

RE: U.S. Green Building Council Support for HB 790, with amendments

Dear Chairwoman Kaiser and Members of the Ways and Means Committee,

On behalf of the U.S. Green Building Council (USGBC), our nearly 8,000 member companies nationwide, and our strong community in Maryland, we are pleased to provide **our support for House Bill 790 with amendments**. We support the efforts of the legislation to ensure that the benefits of efficient and healthy housing are made more available to populations who need it the most.

Costs related to energy and water consumption can place a disproportionate burden on the budgets of low-income residents when compared to the general population. As reported by the U.S. Energy Information Administration's (EIA) Residential Energy Consumption Survey, 31% of U.S. households struggle to pay their energy bills or to adequately heat or cool their homes¹. These types of households, often referred to as 'energy insecure,' are also more likely to earn less than \$20,000 annually². In fact, where the median U.S. energy burden is 3.5% of a household's income, low-income households experience a median energy burden of 7.2%.

Third party green building programs, including LEED, offer a solution to this problem. A study of energy efficient design and construction on low income housing tax credit projects in Virginia found that residents saved an average of \$54 a month, or \$648 annually, on their electricity bills, representing up to three percent of income³. These financial benefits are significant to families with limited disposable income. Green building certification also supports healthier families. For example, a Washington, D.C. study of green certified low income housing renovations identified significant health benefits to residents. According to the study, self-reported general health in adults significantly improved from 59% to 67%; allergen dust loadings showed large and statistically significant reductions and were sustained at one year⁴. Reducing the associated costs of unplanned medical care is also important to individuals and families with limited means. The study also found study also reported energy and water cost savings of 16% and 54%⁵.

¹ U.S. Energy Information Administration, Residential Energy Consumption Survey, Projections and Analysis available at: <https://www.eia.gov/consumption/residential/reports/2015/energybills/>

² Ibid

³ "The Impact of Energy Efficient Design and Construction on LIHTC Housing in Virginia," Virginia Center for Housing Research at Virginia Tech available at: <https://www.vchr.vt.edu/sites/vchr/files/upload/publications/Housing-VA-LIHTC-Study-Full-Report.pdf>

⁴ David E. Jacobs, "Health and Housing Outcomes From Green Renovation of Low-Income Housing in Washington, DC" Advancement of the Science, available at: <https://pdfs.semanticscholar.org/a44f/f64cd0c11dbf62b243efb3027f005a4bd1fa.pdf>

⁵ Ibid



While the benefits of healthy and efficient housing are apparent there are still barriers in renovating or constructing multifamily properties to meet third party green building standards. Incentives like those being proposed in House Bill 790, with amendments, can help in this regard. Indeed, sending market signals to building owners and construction companies to push towards better outcomes has proven success in other markets. For example the city of Cincinnati has had a tax abatement program for rehabbed and new construction projects that achieve green building outcomes. As of 2018 the city alone had more than 4,500 units of green housing because of the program⁶.

We applaud the merits of the bill and look forward to working with you and the General Assembly to advance this legislation that would provide real benefits to people who need it the most.

USGBC and LEED in Maryland

USGBC is a nonprofit organization committed to transforming the way all buildings and communities are designed, built, and operated to support a sustainable, resilient, and prosperous environment that improves the quality of life for all. Our flagship green building system, Leadership in Energy and Environmental Design (LEED), has been embraced by the Maryland residential market, with nearly 5,966⁷ certified housing units including single-family homes, low-rise and high-rise multifamily housing. Representing the full range of the building sector, including builders, product manufacturers, professional firms, and real estate, over to 200 Maryland organizations are USGBC members, and there are over 5,500 individuals in Maryland holding a LEED professional credential.⁸

Respectfully,

Bryan Howard, Legislative Director, U.S. Green Building Council

Maren Taylor, Advocacy and Policy Associate, U.S. Green Building Council

⁶ “Transforming a City One Home at a Time,” May, 2018 PG 6. available at:

<https://www.usgbc.org/sites/default/files/transforming-a-city.pdf>

⁷ LEED in Motion Residential, July 2019 PG 13. available at:

<https://www.usgbc.org/resources/leed-motion-residential-0>

⁸ USGBC State Market Briefs, Maryland available at: <https://www.usgbc.org/resources/state-market-brief>