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The Honorable Paul G. Pinsky, Chairman
Senate Education, Health, and Environmental Affairs Committee
2 West Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

RE: Senate Bill 414 - Climate Solutions Now Act of 2021 - UNFAVORABLE

Dear Chairman Pinsky and Members of the Senate Education, Health, and Environmental Affairs Committee:

I am writing on behalf of the Building Owners and Managers Association (BOMA), in opposition to Senate Bill 414.

BOMA is a trade association that represents the interests of commercial and real estate owners, real estate professionals and our associate members through effective leadership in advocacy, collection and dissemination of industry information, education, community involvement, membership participation, and professional development.

Furthermore, BOMA acknowledges the leading role that Maryland has taken among states in addressing the broad issue of climate change, with a series of legislative enactments intended to promote sustainability and to improve the environment in which all Marylanders must live. These actions include the creation of the Maryland Commission on Climate Change (Commission), which has become a guiding force for State policy on this subject. BOMA has itself been an industry leader in this effort, both in the state and through its national organization, the Building Owners and Managers Association International (BOMI).

The Commission issued its most recent annual report on November 15, 2020. The report noted "the escalating urgency of climate change," and it is fair to say that one central recommendation from the report is embodied in SB 414: that the State achieve net-zero greenhouse gas emissions by 2045. Another central recommendation of the report, that the state achieve a statewide emissions reduction goal of 50% (from 2006 levels) by 2030 has been changed in the bill to a 60% reduction. By the report's own characterization, these and other ambitious recommendations are being treated by the Maryland Department of the Environment (MDE) as "stretch targets." The report also notes that MDE must submit, in 2022, a "progress report on the state GHG reduction efforts *and the economic impact of the GGRA of 2016 Plan*". Finally, the report cites the General Assembly's power to "maintain, revise, or eliminate" the 2030 goal and consider whether to continue economic impact provisions. In other words, the General Assembly will certainly be active in addressing this important subject continuously over the next several years.

No reasonable person disputes the serious problem of climate change, and that our government has an obligation to analyze it and act accordingly. The Commission was established for that purpose, and it is fulfilling its role. The General Assembly must also take into account, however, the impact that enacting Commission recommendations into law will have on our citizens. It is a constant balancing act for which the stakes are high on both sides.

With respect to the commercial buildings that form the core of BOMA members' assets, they comprise the workplaces of most of our State economy throughout Central Maryland. Our experience with economic upheaval caused by the pandemic over the last year illustrates how government action can significantly disrupt the lives of our citizens in important ways. Our State and local governments continue to struggle to achieve a balance between rational public health practices and the orderly conduct of business and personal life in Maryland.

The same balancing act will be needed in dealing with climate change. One laudable idea for this problem is another Commission recommendation, found on page 31 of the report, to revive an interagency task force whose objective is to coordinate across programs, policies and funding streams, an effort to retrofit Maryland's existing residential and commercial buildings to achieve healthier, safer, more efficient, and climate-friendly homes and businesses (Commission report, pp31-32). At a time when many buildings owned and operated by BOMA members have been vacant for a year, or nearly so, when the ability of tenants to pay rent is in question, and, most important, when the future use of these buildings is being considered by the owners, imposing the ambitious goals at the heart of SB 414 is premature. As a society, we must spend the balance of 2021 working through this incredibly difficult time, and BOMA members must decide how their buildings will be used in the future. Those uses will have a direct and material impact, in turn, on energy usage, emissions, and the production of greenhouse gases.

For these reasons, BOMA respectfully requests an unfavorable report on Senate Bill 414.

Very truly yours,

A handwritten signature in black ink, appearing to read "Bryson Popham". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bryson F. Popham

cc: Kevin Bauer
Joan Smith