



HB0049 – SUPPORT

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HB0049 – Environment - Building Energy Performance Standards - Compliance and Reporting

Environment and Transportation Committee

February 12th, 2025

Dear Chair Korman, Vice Chair Boyce, and members of the Environment and Transportation Committee,

I write today on behalf of Ceres to urge a favorable report from the Committee on HB0049 concerning Building Energy Performance Standards. Ceres advances leadership among investors, companies, and capital market influencers to drive solutions and take action on the most pressing sustainability solutions. We organize the Business for Innovative Climate and Energy Policy Network (BICEP), a coalition of more than 85 major employers – including several with operations or business interests in Maryland - committed to advocating for stronger climate and clean energy policies at the state and federal levels.

HB0049 represents a critical opportunity to enhance Maryland's Building Energy Performance Standards while protecting business interests, consumer costs, and property values. The legislation strengthens Maryland's climate goals by prioritizing cost-effective implementation and maintaining building asset values.

The economic benefits of this policy are substantial. Energy efficiency improvements reduce operating costs, while planned electrification through heat pump installations aligns with natural equipment replacement cycles. This approach minimizes disruption and allows building owners to optimize their investment timing. Many efficient buildings already meet the 2030 targets without requiring additional investment, demonstrating the practicality of the standards.

The bill provides essential flexibility through building-by-building compliance pathways rather than rigid mandates. The Alternative Compliance Payment establishes clear maximum cost exposure, allowing businesses to effectively plan and budget for necessary improvements. Enhanced administrative support from the Maryland Department of Environment helps owners identify the most cost-effective solutions for their specific properties.

From a market perspective, HB0049 protects long-term property values by facilitating efficient decarbonization and preventing costly future retrofits. The legislation's energy efficiency requirements ensure that electrification occurs through efficient technologies like heat pumps

rather than costly resistance heating, protecting both building owners and tenants from unnecessarily high utility bills.

This carefully crafted enhancement to Maryland's climate policy balances environmental goals with business practicality. By providing clear pathways, cost controls, and implementation support, HB0049 enables building owners to maintain their competitive position while contributing to Maryland's clean energy future.

Respectfully submitted,

Jeff Mauk
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