

# Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

## BILL 16-21: Environmental Sustainability-Building Energy use Benchmarking and Performance Standards-Amendments

### SUMMARY

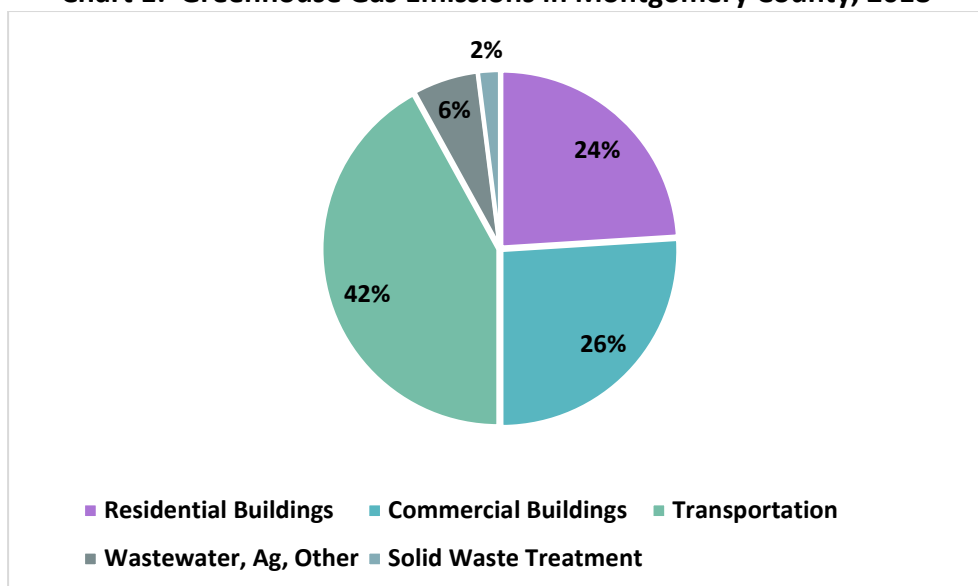
The Office of Legislative Oversight (OLO) expects Bill 16-21 to favorably impact racial equity and social justice in Montgomery County.

### BACKGROUND

On May 4, 2021, the Council introduced Bill 16-21 to reduce greenhouse gas emissions in the County. Bill 16-21 would make Montgomery County the first U.S. county jurisdiction to implement Building Energy Performance Standards (BEPS) to combat climate change.<sup>1</sup> If enacted, Bill 16-21 will require building owners to (a) benchmark their current energy use intensity (EUI)<sup>2</sup> and (b) demonstrate progress by reducing their EUIs every four years.<sup>3</sup> Bill 16-21 would also establish a performance improvement board to assist building owners who face difficulties with meeting BEP standards.<sup>4</sup>

Bill 16-21's focus on improving buildings' energy efficiency is significant since as noted in Chart 1, residential and commercial buildings contributed to about half of greenhouse gas emissions locally in 2018. Under current law, owners of commercial buildings that are 50,000 gross square feet and larger must benchmark and report energy use data annually.<sup>5</sup> Bill 16-21 would amend the County's Environmental Sustainability Law by expanding the EUI benchmarking requirements to include all buildings that are 25,000 gross square feet or larger, including residential buildings.<sup>6</sup>

Chart 1: Greenhouse Gas Emissions in Montgomery County, 2018



Source: Bill 16-21 County Council Packet

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Of note, Bill 16-21 aligns the County's Climate Action Plan to decrease greenhouse emissions in the County to 80% by 2027 and 100% by 2035.<sup>7</sup> Towards this end, Bill 16-21 would make the following modifications to County law:

- Expand the number of buildings covered by benchmarking requirements;
- Amend certain definitions;
- Establish energy performance standards for covered buildings with certain gross floor area;
- Create a Building Performance Improvement Board; and
- Generally revise County law regarding environmental sustainability.<sup>8</sup>

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## CLIMATE CHANGE, RACIAL EQUITY, AND SOCIAL JUSTICE

According to the Environmental Protection Agency (EPA), greenhouse gas emissions is the most significant driver of climate change.<sup>9</sup> According to the U.S. Global Change Research Program, climate change is causing and expected to cause a range of health impacts that vary by group.<sup>10</sup> They note that the vulnerability of any group is a function of their sensitivity to climate change related health risks, exposure to climate change, and their capacity to cope with climate change.<sup>11</sup> The most vulnerable groups of people to climate change include some communities of color, immigrant groups, indigenous people and low-income residents as well as persons with preexisting and chronic medical conditions.

The U.S. Global Change Research Program further notes that population groups most at risk of experiencing diminished health outcomes due to climate change are often most vulnerable to the health impacts of climate change.<sup>12</sup> They are at higher risk of exposure due to their higher likelihood of living in risk-prone areas, areas with poorly maintained infrastructure or areas with an increased burden of air pollution.<sup>13</sup> These population groups also experience greater incidence of chronic medical conditions such as cardiovascular and kidney disease, asthma, and COPD.<sup>14</sup>

Socio-economic and educational factors, limited transportation and access to health care and education “collectively impede their ability to prepare for, respond to, and cope with climate-related health risks.”<sup>15</sup> Further, for undocumented immigrants, high poverty rates, language and cultural barriers, and limited access to and use of health care and other social services make these groups hesitant to seek out help to mitigate climate-related health risks because doing so may compromise their immigration status.<sup>16</sup>

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## ANALYSIS OF DEMOGRAPHIC DATA

According to American Community Survey data compiled by Montgomery Planning, Latinx, Black, Asian, and Other Race persons accounted for 55.5 percent of the County's population in 2016 compared to Non-Hispanic White residents who accounted for 44.5 percent of all residents.<sup>17</sup> Thus, a majority of the County's residents are at heightened risk for the negative health impacts of greenhouse gas emissions on climate change.

Further, the share of Montgomery County residents with heightened vulnerabilities to climate-related health risks will continue to grow. Montgomery Planning projects that People of Color will comprise 63 percent of the County's population in 2025 and will comprise 73 percent of the County's population by 2045.<sup>18</sup>

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### ANTICIPATED RESJ IMPACTS

While reducing greenhouse gas emissions would benefit all residents, OLO anticipates that Bill 16-21 will especially benefit communities of color and low-income residents because they are disproportionately vulnerable to the negative health effects of climate change. As such, OLO finds that Bill 16-21 will favorably impact racial equity and social justice in Montgomery County if it reduces greenhouse gas emissions among commercial and residential buildings as intended.

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### METHODOLOGIES, ASSUMPTIONS, AND UNCERTAINTIES

This RESJ impact statement and OLO's analysis rely on several information sources to understand the anticipated impact of Bill 16-21 on racial equity and social justice locally. These include:

- Our Communities, Our Power: Advancing Resistance and Resilience in Climate Change Adaptation, Action Toolkit, National Association for the Advancement of Colored People
- Healthy Montgomery Core Measures Data Summary
- Montgomery County Trends: A Look at People, Housing and Jobs Since 1990, Montgomery Planning
- Bill 16-21 County Council Packet
- Montgomery County Climate Action Plan: Building a Healthy, Equitable, Resilient Community, Public Draft

OLO staff also spoke with representatives from the Department of Environmental Protection.<sup>19</sup>

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### RECOMMENDED AMENDMENTS

The County's Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to bills aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements.<sup>20</sup> OLO has determined that the key provisions included in Bill 16-21 adequately address RESJ in the County. Consequently, this RESJ impact statement does not offer recommendations.

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### CAVEATS

Two caveats to this RESJ impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging, analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

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### CONTRIBUTIONS

Dr. Theo Holt, RESJ Performance Management and Data Analyst, and Dr. Elaine Bonner-Tompkins, Senior Legislative Analyst, drafted this RESJ statement.

# RESJ Impact Statement

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<sup>1</sup> Montgomery County Council, Bill 16-21, Environmental Sustainability-Building Energy use Benchmarking and Performance Standards-Amendments, May 2021, Montgomery County, Maryland.

[https://apps.montgomerycountymd.gov/ccllms/DownloadFilePage?FileName=2707\\_1\\_14390\\_Bill\\_16-2021\\_Introduction\\_20210504.pdf](https://apps.montgomerycountymd.gov/ccllms/DownloadFilePage?FileName=2707_1_14390_Bill_16-2021_Introduction_20210504.pdf)

<sup>2</sup> Energy Use Intensity (EUI) means a numeric value calculated by the benchmarking tool that represents the energy consumed by a building relative to its size.

<sup>3</sup> Montgomery County Council, Bill 16-21.

<sup>4</sup> Ibid

<sup>5</sup> Ibid

<sup>6</sup> Ibid

<sup>7</sup> Ibid

<sup>8</sup> Ibid

<sup>9</sup> Ibid

<sup>10</sup> The Impacts of Climate Change on Human Health in the United States: A Scientific Assessment, U.S. Global Change Research Program, 2016, <https://health2016.globalchange.gov/>

<sup>11</sup> Ibid

<sup>12</sup> Ibid

<sup>13</sup> Ibid

<sup>14</sup> Ibid

<sup>15</sup> Ibid

<sup>16</sup> Ibid

<sup>17</sup> Montgomery Planning, Montgomery County Trends: A Look at People, Housing and Jobs Since 1990, January 2019

[https://montgomeryplanning.org/wp-content/uploads/2019/01/MP\\_TrendsReport\\_final.pdf](https://montgomeryplanning.org/wp-content/uploads/2019/01/MP_TrendsReport_final.pdf)

<sup>18</sup> Ibid

<sup>19</sup> Dr. Theo Holt spoke with Lindsey Shaw, Emily Curley and Stan Edwards on May 12, 2021.

<sup>20</sup> Montgomery County Council, Bill 27-19, Administration – Human Rights - Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee - Established