



MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

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TRANSPORTATION, INFRASTRUCTURE
ENERGY & ENVIRONMENT COMMITTEE

Earth Day 2013

Statement by Councilmember Roger Berliner
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Montgomery County Council

These past few days, like many of us, I have been celebrating the 43rd Earth Day. For me, it was picking up litter at my favorite nature spot and taking part at a Wood Acres Elementary School program that showcased their new rain barrel.

It has also meant working for a number of weeks on environmental legislation that has been introduced today.

Of all the challenges to our planet, climate change remains at the very top. While we can only hope that one day our federal government will finally assume its responsibility to lead on this issue, we can not wait. And we need not wait. Local governments can make an important contribution to this issue. Approximately 70% of the total amount of energy consumed in our county is in our existing stock of buildings, both residential and commercial. If we are ever going to seriously reduce our energy consumption, which is the greatest cause of greenhouse gas emissions, it is here that we must focus. And it is here that local governments can take a leadership role.

We sought to do so with the Home Energy Loan Program (HELP), a program that would have provided low interest loans to our homeowners to make energy efficiency and solar upgrades to their homes, reduce utility bills, and spur the economy. That worthy and groundbreaking effort has regrettably been completely stymied by federal regulators at the Federal Housing Financing Authority. Our county has joined local governments, environmentalists, Chambers of Commerce, and others from across the country in urging the agency to work with us to address their concerns and not just say no.

In the meantime, the focus has shifted to what we can do to spur energy efficiency in the commercial and multi-family sectors. The legislation I introduced today would create a loan program that will allow property owners to upgrade their properties and simultaneously reduce both their energy consumption and their utility bills. And, to the extent that we are successful, we will also spur good, sustainable, green jobs in Montgomery County.

The legislation uses the same instrument, property tax assessments, that was at the heart of the HELP program. However, learning from the difficult experiences of the HELP program, for any commercial energy retrofit loan, the lender must give consent first. This brings all the major players into alignment – the financial sector, the energy efficiency sector, the building owner, and the County – and all can benefit.

Commercial property assessed clean energy programs (PACE) are still in their infancy, having started in California. What we have learned from their experience thus far is that 3rd party funders, companies like Clean Fund and Fig Tree, are in many instances providing the money for this program -- running the numbers, putting up the capital, and convincing both the property owners and the mortgage holders of its benefits. Mortgage holders, once they see how the improvements pencil out, are then in a position to choose to participate in the financing, which they often do.

But the county's role is critical – using the property tax assessment vehicle to pay back the loan makes the loan secure enough to satisfy the bond market. The private sector negotiates the terms of the loan, the county issues a bond to secure the loan, the private sector purchases the bond, and the county recovers the cost of the bond thru property tax assessments. If my colleagues embrace this approach, as I hope they will, we will have the first Maryland county commercial PACE program, as we were the first to adopt a residential PACE program.

One of the other major challenges our environment confronts is the serious threat to our streams, rivers, bay and oceans. Here too, our County has been a leader. We have made more of a commitment to improving the health of our water than any community in Maryland, and we are a national leader as well. Last week, we passed legislation that will provide greater funding and greater equity to the funding of this clean up, and next week we will pass the regulations that implement it.

We have also sought to make sure that we protect our fragile watersheds. Our most precious and cleanest stream is 10 Mile Creek, and last year our Council made sure that any future development fully takes into account the importance and fragile nature of this watershed.

Another example of Montgomery County leading the way in protecting our environment is the banning of the harmful byproduct known as coal tar. As a Council, we outlawed the use of this pollutant in September and our environment is the better for it.

Finally, we were also the first county in the state to adopt a bag tax, an effort that was principally focused on reducing the number of plastic bags in our streams. I led our council in its deliberations on this measure, an effort that I remain proud of.

Yet, even then, I was skeptical of the broad scope of the measure. We were told at the time that it was the recommendation of one of the sponsors of the DC measure, which we patterned ours after, to learn from its mistake and not focus on retail food establishments, but to include all retail establishments. So, as a result, our law now includes not just the Giants, Safeways, and convenience stores, but Sears, Home Depot, clothing stores, etc.

My concern has been that our goal should be to help people shift their consciousness, and to recognize how easy it is to use fewer plastic bags. Using reusable bags at the grocery store is a habit that I think most of us can adopt over time. I have always felt that grocery stores were a reasonable place to expect us to walk in with a reusable bag. And to that extent, our mantra that we really didn't want your money, we want you to use a reusable bag, rang true. But I have been skeptical that we should expect people to bring reusable bags into department stores and other retail stores such as a clothing store. I thought then that it might be a bridge too far.

You can argue, and my good friends in the environmental community do, that it is ok to ask people to do it, and some good people do, and for those who choose not to, they fund a good cause, and a nickel a bag isn't exactly highway robbery. All of that has truth. But, to me at least, there are larger countervailing considerations.

I have always been concerned that if you overreach in trying to achieve a noble end, you turn a law of good intentions into a law that breeds resentment. The shift in consciousness that you achieve is not one that promotes protecting the environment, but rather one that diminishes support for doing so. We can not afford to squander good will on marginal outcomes. There is no doubt in my mind that government will need to play a strong role – and in many cases a leading role -- if we are to continue making strides toward protecting our planet. I want to save our political chits for the tough fights ahead – and when we get there, I want to have earned the community's trust that we will not squander their progressive capital.

It is often said that the perfect is the enemy of the good. I think our law, as it currently stands, is the enemy of the good. I think a good case can be made that if we focus on food retail establishments, as DC sought to do and as Boulder, Co. has done, there is a greater likelihood that the state legislature could pass a statewide bill. That would be of far greater benefit than just our county's singular pursuit!

I have struggled mightily with this issue, and ultimately concluded that we will serve our residents and our environment better in the long run by making a modest change to the scope of the original legislation.

All in all, we can be very proud of our environmental efforts in Montgomery County. Protecting our planet for future generations is up to all of us and I am pleased our county is at the forefront.