



## House Bill 336

### *Procurement – State Funds – Energy Efficient Outdoor Lighting Fixtures*

MACo Position: **OPPOSE**

To: Health and Government Operations Committee

Date: February 18, 2015

From: Andrea Mansfield

The Maryland Association of Counties (MACo) **OPPOSES** HB 336. This bill would prohibit State funds from being used to install or replace a permanent outdoor luminaire unless specified energy efficient lighting requirements are met. These new onerous requirements would apply to public works contracts of \$500,000 or more, funded with more than 50% of State funds.

Counties widely evaluate and implement practices to maximize energy efficiency and minimize light pollution. However, MACo opposes the mandatory nature of HB 336 and believes it would limit qualified bidders and place more onerous requirements on the counties, increasing the costs of local contracts funded partially with State dollars.

The procurement process is designed to promote spending efficiency by employing an open, competitive process that allows multiple companies to bid - with the award in most cases going to the lowest bidder. In some cases, it could be the bidder that is viewed as having the most advantageous offer, but still the premise is to keep project costs low. Adding requirements to the process that make it more difficult for businesses to comply inevitably adds costs to contracts. Such provisions also make it more difficult for procurement officials, who may not have expertise in these areas, to evaluate contracts appropriately and to comply with the new rigid state rules.

Counties have made concerted efforts to be more energy efficient. Many counties have dedicated sustainability offices and all have implemented energy efficient practices. Under current practice, counties have the flexibility to establish procurement preferences while meeting their fiscal goals. Imposing State requirements onto the local procurement process would ultimately limit local flexibility and the number of competitive bids, increasing project costs.

For this reason, MACo urges the Committee to give HB 336 an **UNFAVORABLE** report.