

Department of Legislative Services  
Maryland General Assembly  
2012 Session

FISCAL AND POLICY NOTE

House Bill 298 (Delegate Carr)  
Health and Government Operations

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**Procurement - State Funds - Energy Efficient Outdoor Lighting Fixtures**

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This bill expands an existing prohibition against using State funds to install or replace a permanent outdoor luminaire unless the fixture meets specified criteria regarding energy efficiency and light emission to include buildings not owned or leased by the State.

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**Fiscal Summary**

**State Effect:** Minimal increase in general fund expenditures for the Department of General Services (DGS) to contract with a lighting engineer to review and provide guidance on funding requests for outdoor lighting from State grantees. The Board of Public Works (BPW) can manage a waiver program with existing resources. No effect on revenues.

**Local Effect:** Local capital projects that receive State funds are barred from using those funds for outdoor lighting that does not meet the criteria specified in the bill. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** Potential meaningful for small nonprofit firms that receive State grants for capital improvement or construction projects.

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**Analysis**

**Current Law:** Chapter 353 of 2011 requires that luminaires installed or replaced with State funds on the grounds of buildings owned or leased by the State must:

- maximize energy conservation and minimize light pollution, glare, and light trespass;

- provide the minimum illumination necessary for the intended purpose of the lighting; and
- be a restricted uplight luminaire if it has an output of more than 1,800 lumens.

A “luminaire” is the complete lighting unit including the lamp, other components that produce light, and the assembly that holds the lamp.

A “restricted uplight luminaire” is a lighting fixture that (1) allows no direct light emission above a horizontal plane through the fixture’s lowest light-emitting part, except for a 0.5% maximum incidental uplight from reflection off mounting hardware; and (2) emits no more than 10% of the total direct light emission at or above a vertical angle of 80 degrees.

Chapter 353 does not apply to luminaires that are:

- located on the grounds of a correctional facility;
- required by federal regulation;
- required for storm operation activities performed by the Maryland Department of Transportation (MDOT);
- required to illuminate the Maryland or United States flag;
- used for sign illumination; or
- in a lighting plan where fewer than 25% of the luminaires are to be replaced.

BPW or its designee may waive the requirement that high-output luminaires be restricted uplight luminaires if the waiver is necessary for the lighting application. BPW must establish requirements for the waiver. In awarding a waiver, BPW or its designee must consider design safety, costs, and any other factors it deems appropriate.

**Background:** Each year, the State’s capital budget includes allocations for direct grants or grant programs to local governments and nonprofit entities for capital construction or improvement projects. These projects are required to include local and/or private matching funds, but under the bill would be barred from using any of the State funds they receive to install or replace outdoor luminaires that do not meet the energy efficiency criteria in current law. **Exhibit 1** shows the direct grants and grant programs in the Governor’s proposed fiscal 2013 capital budget that would most likely be affected by the bill, totaling \$498.8 million. Grants to local governments for waterway and clean water projects are not included because they typically do not involve building construction, and several grant programs for housing and neighborhood revitalization administered by the Department of Housing and Community Development are not included because State funding for those projects is usually a small component of overall funding (but would be similarly restricted under the bill).

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**Exhibit 1**  
**Proposed State Funding for Nonstate Capital Programs**  
**Fiscal 2013**

**Health/Social**

Senior Citizens Activities Center Grant Program	\$1,150,000
Federally Qualified Health Centers Grant Program	2,421,000
Trauma and Critical Care, and Emergency Medicine Services Expansion Project	10,000,000
R Adams Cowley Shock Trauma Center Renovation – Phase I	3,500,000
Kennedy Krieger Institute	1,000,000
Prince George’s Hospital System	10,000,000
Sinai Hospital	1,000,000
Kennedy Krieger Children’s Hospital	500,000
Howard County General Hospital	707,500
Franklin Square Hospital Center	1,000,000
Brook Lane Health Services	1,100,000
Northwest Hospital Center	700,000
Union Memorial Hospital	242,500
Upper Chesapeake Medical Center	750,000
<b>Subtotal:</b>	<b>\$34,071,000</b>

**K-12 Education**

Public School Construction Program	351,393,000
Qualified Zone Academy Bond Program	15,324,000
Aging Schools Program	6,109,000
Public Library Capital Grant Program	5,000,000
Maryland School for the Blind	5,000,000
<b>Subtotal:</b>	<b>\$382,826,000</b>

**Postsecondary Education**

Community College Facilities Grant Program	37,726,000
Johns Hopkins University	1,000,000
McDaniel College	1,000,000
Notre Dame of Maryland University	1,000,000
St. John’s College	1,000,000
<b>Subtotal:</b>	<b>\$41,726,000</b>

**Housing/Community Development**

Sustainable Communities Tax Credit Program	7,000,000
African American Heritage Preservation Program	1,000,000
Maryland Historical Trust Capital Grant Fund	270,000
<b>Subtotal:</b>	<b>\$8,270,000</b>

**Local Projects**

Alice Ferguson Foundation – Potomac Watershed Study Center	1,700,000
Annapolis High School	1,000,000
Baltimore Museum of Art	2,500,000
Baltimore City Convention Center	2,500,000

Charles E Smith Life Communities – Revitz House Renovation	675,000
Everyman Theatre	1,000,000
Maryland Science Center	550,000
Maryland Zoo in Baltimore Infrastructure Improvements	5,000,000
Mount Vernon Square Redevelopment	1,000,000
USS Constellation Education Center and Heritage Center	1,000,000
Local House Initiatives	7,500,000
Local Senate Initiatives	7,500,000
<b>Subtotal</b>	<b>\$31,925,000</b>
<b>Total</b>	<b>\$498,818,000</b>

Source: Department of Legislative Services

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**State Fiscal Effect:** DGS is responsible for managing and monitoring State payments to several hundred nonprofit entities that receive grant money from the State through legislative initiatives approved in the annual capital budget. The bill does not explicitly give DGS authority to enforce the prohibition against using State funds contained in the bill, but it is likely that such responsibility would fall on DGS given its current role.

Currently, DGS’s monitoring role includes reviewing and approving requests for project funds received from grantees to ensure that they are consistent with the scope of each project as described in the annual bond bill that authorizes their funding. This bill could add another layer of review and enforcement to DGS’s oversight responsibility, and DGS advises that it has no particular expertise in determining whether expenses for outdoor lighting meet the criteria in the bill. Many of the funded projects likely do not involve outdoor lighting, or they may use matching funds for outdoor lighting and therefore not submit funding requests for related expenses. Therefore, Legislative Services believes that DGS can contract with a lighting engineer to provide as-needed guidance in reviewing requests for funding for outdoor lighting from grantees and determine their eligibility for State funds for those requests. Expenditures for contracted services will vary depending on the number of projects that submit funding requests for outdoor lighting.

**Small Business Effect:** Nonprofit firms that are small businesses and receive State grants for capital improvement or construction projects would be barred from using those funds for outdoor lighting that does not meet the criteria in the bill.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Board of Public Works, Department of Natural Resources, Department of General Services, Department of Health and Mental Hygiene, Morgan State University, Maryland Department of Transportation, University System of Maryland, Department of Legislative Services

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