

March 6, 2023

The Honorable C.T. Wilson, Chair House Economic Matters Committee House Office Building, Room 231 Annapolis, MD 21401

Favorable w Amendment – HB 1021 – Products that Contain Mercury – Fluorescent Lamps - Prohibition

Dear, Chair Wilson and Committee Members:

HB 1021 phases out the sale of compact fluorescent light bulbs (lamps) in two stages beginning January 1, 2024.

The NAIOP Maryland Chapters representing more than 700 companies involved in all aspects of commercial, industrial, and mixeduse real estate recommend your favorable with amendments report on HB 1021 based on the following considerations:

- It makes both sustainability and economic sense to phase-out the manufacture and sale of compact fluorescent bulbs and linear fluorescent fixtures. The bill as introduced does not address fixtures; we recommend they be added.
- We believe the timelines in the bill are too short and that the phase-out of lamps should be over a longer time frame than the fixtures. LED fixture manufacturers are already having trouble with supply and are grossly behind in filling orders. We are concerned that the proposed phase-out schedule will exacerbate supply chain problems and trigger price increases by driving the conversion to LED lamps and fixtures into a market that has little excess capacity.
- Many small business operators are on their own electric meters and have control over the fixtures and bulbs used in their offices, shops, and other workspaces. Passage of this legislation raises the prospect that utility rebates for LED lamps and fixtures may be sunset or otherwise modified. Removing that support too soon could slow conversion of existing lamps and fixtures. We do not have an amendment to address this but bring it to the committee's attention for future consideration.
- > NAIOP recommends the following amendments to HB 1021.

Beginning on page 6 line 27:

(B) (1) ON OR AFTER JANUARY 1, 2024, A PERSON MAY NOT SELL OR DISTRIBUTE AS A NEW MANUFACTURED PRODUCT A SCREW- OR BAYONET-BASE TYPE COMPACT FLUORESCENT LAMP IN THE STATE.

(2) ON OR AFTER <u>JANUARY</u> <u>JULY</u> 1, 2025, A PERSON MAY NOT SELL OR DISTRIBUTE AS A NEW MANUFACTURED PRODUCT A PIN-BASE TYPE COMPACT FLUORESCENT LAMP OR A LINEAR FLUORESCENT <u>LAMP</u> <u>FIXTURE</u> IN THE STATE.

(3) ON OR AFTER JANUARY 1, 2027, A PERSON MAY NOT SELL OR DISTRIBUTE AS A NEW MANUFACTURED PRODUCT A LINEAR FLUORESCENT LAMP IN THE STATE.

With these changes, NAIOP respectfully requests your favorable with amendments report on HB 1021.

Sincerely,

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Tom Ballentine, Vice President for Policy NAIOP Maryland Chapters - *The Association for Commercial Real Estate*

cc: Economic Matters Committee Members Nick Manis – Manis, Canning Assoc.