



UNIVERSITY SYSTEM *of* MARYLAND

SENATE EDUCATION, ENERGY, AND THE ENVIRONMENT COMMITTEE

Senate Bill 480

Department of General Services - Clean Energy Procurement Program - Establishment

February 20, 2025

Unfavorable

Chair Feldman, Vice Chair Kagan, and members of the committee, thank you for allowing the University System of Maryland (USM) to provide testimony on Senate Bill 480. The bill requires the Department of General Services (DGS), in consultation with the Maryland Green Purchasing Committee, the University System of Maryland (USM), and the Maryland Clean Energy Center, to establish a Clean Energy Procurement Program in DGS on or before January 1, 2026.

The USM is comprised of twelve distinguished institutions, and three regional centers. We award eight out of every ten bachelor's degrees in the State. Each of USM's 12 institutions has a distinct and unique approach to the mission of educating students and promoting the economic, intellectual, and cultural growth of its surrounding community. These institutions are located throughout the state, from western Maryland to the Eastern Shore, with the flagship campus in the Washington suburbs. The USM includes three Historically Black Institutions, comprehensive institutions and research universities, and the country's largest public online institution.

This bill would require the USM to complete a life-cycle analysis of Biogas. The USM does not have personnel in the System Office with the knowledge or expertise to conduct such an analysis. Moreover, lifecycle analysis of biogas costs considers all the financial expenses associated with producing biogas throughout its entire life cycle – from the initial feedstock collection and processing to the final energy production. Senate Bill 480 says nothing regarding the costs for construction, operation, maintenance, feedstock acquisition, and potential end-of-life disposal, allowing for a comprehensive evaluation of the overall economic viability of a biogas project.

Should this bill pass, it is assumed that USM would need to conduct a procurement to hire a subject matter expert to conduct the analysis required by the bill. It is difficult to determine what the resulting contract for these services would cost but it is estimated to be in excess of \$200,000.

The USM knows you're well aware of the current budget climate as we all are. The recently proposed deductions to our budget of 5% equate to \$111 million. This is in addition to last year's cut and another mid-year cut to the FY25 budget which leaves the USM down over \$180 million cumulatively in FY25 and FY26. The imposition of additional policy changes at this time would be more than challenging for all of our campuses on top of these reductions.



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