



Maryland

Energy Administration

TO: Chair Korman, Vice Chair Guyton, and Members of the Environment & Transportation Committee

FROM: MEA

SUBJECT: HB 119 - Energy Performance Contracts - Navigators, Funding, and Requirements

DATE: February 3, 2026

MEA Position: LETTER OF INFORMATION

House Bill 119 would establish a statewide navigator program to assist public bodies in developing energy performance contracts, require coordination between navigators and the Maryland Energy Administration (MEA), authorize the use of the Strategic Energy Investment Fund (SEIF) to support navigator staffing at the Maryland Clean Energy Center (MCEC), and modify the Jane E. Lawton Conservation Loan Program to allow for additional grants and loans in support of energy performance contracting.

The Administration supports efforts to expand energy performance contracting and to assist the public in navigating complex financing, procurement, and project development processes. Energy Performance Contracts, or “EPCs” are an effective tool for incentivising and financing energy efficiency upgrades, paying for the upgrades with the savings provided by the energy efficiency efforts. However, **several provisions of House Bill 119 substantially duplicate work already underway and existing resources at the State level, while other components are rendered unnecessary by related Administration proposals.**

With regard to the proposed navigator program, much of this work is already underway through existing, coordinated efforts between the Administration and General Assembly. MEA currently provides technical assistance, grant administration, and program support to public and private entities pursuing clean energy projects and energy efficiency, and these resources are continuing to expand through the Clean Buildings Hub, including the procurement of additional technical assistance capacity.

This bill also proposes to expand the Jane E. Lawton Conservation Loan Program to support additional grant and loan activity in connection with energy performance contracts. It is worth noting that **by adding grants to the Jane E. Lawton Program, the corpus of funds used to supply loans from that program would eventually be exhausted.** Additionally, MEA has introduced a separate departmental bill (HB 245) this year to transfer the Jane E. Lawton Conservation Loan Program to Maryland Clean Energy Center. That proposal reflects the Administration’s determination that the loan program is better aligned with MCEC’s core mission, staffing, and financial expertise, as it is MEA’s only loan-based program and differs from the agency’s primarily grant-focused portfolio. Given the

Administration's proposal to relocate the Program, the provision of House Bill 119 related to this Program would no longer be applicable or necessary.

For these reasons, MEA is submitting this letter of information. For questions or additional information, please contact Megan Outten, Policy Manager, at megan.outten@maryland.gov or 443.842.1780.