

**CHAPTER 69**

**(House Bill 1173)**

AN ACT concerning

**State Procurement – Energy Performance Contracts**

FOR the purpose of increasing the authorized duration of certain energy performance contracts; requiring the Board of Public Works and the Maryland Energy Administration to make certain determinations; and generally relating to the review and approval and maximum duration of energy performance contracts.

BY repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 12-301  
Annotated Code of Maryland  
(1995 Replacement Volume and 1996 Supplement)

BY repealing and reenacting, without amendments,  
Article – State Finance and Procurement  
Section 12-302 and 12-303  
Annotated Code of Maryland  
(1995 Replacement Volume and 1996 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article – State Finance and Procurement**

12-301.

(a) (1) Before issuing a request for proposals for an energy performance contract, a primary procurement unit shall consult with the Maryland Energy Administration.

(2) The Maryland Energy Administration shall review the proposed request to ensure that it meets with the State energy standards, PRESERVES THE STATE'S FLEXIBILITY TO INVESTIGATE AND USE ECONOMICALLY JUSTIFIABLE NEW TECHNOLOGIES, and is in conformance with the unit's energy conservation plan that has been developed in accordance with § 4-806 of this article.

(b) (1) Notwithstanding any other provision of law and subject to the approval and control of the Board of Public Works, a primary procurement unit of State government is authorized to enter into energy performance contracts of up to [12] ~~25~~ 15 years duration.

(2) The payments and the total contract amount due under an energy performance contract may not exceed the actual energy savings realized as a result of the contract's performance.