

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed House Bill 811 – *Procurement – Percentage Price Preference – Environmentally Preferable Products or Equipment*.

This bill requires the Secretary of General Services, the Secretary of Transportation, and the Chancellor of the University System of Maryland to establish a price preference for the purchase of environmentally preferable products and equipment (EPPs). The bill directs the Board of Public Works to adopt specified regulations and requires units of State government to review specifications for the procurement of goods and services currently in place and adjust those specifications to the maximum degree possible to increase the purchases of EPPs.

Under current law, the Secretary of General Services, the Secretary of Transportation, and the Chancellor of the University System of Maryland are required to establish a percentage price preference, not to exceed five percent for the purchase of products made from recycled materials. Recycled materials include post-consumer material, industrial scrap material, compost, and obsolete inventories.

If implemented, House Bill 811 would increase the cost of commodities and equipment procured by the State. The procurement of environmentally preferable products and equipment would require a significantly greater devotion of procurement resources than the present method. Costs associated with such an undertaking would include initial analysis, increased cost to purchase of products, maintenance, and disposal.

During the past 15 months, my Administration has doubled the prior Administration's Green Energy Procurement goals. The Department of General Services conducted a reverse energy auction for the procurement of electricity. As a result of that procurement, approximately 13 percent of the electricity supplied to State Executive departments and agencies will be environmentally friendly "green power," which consists of electricity produced with renewable resources. This more than doubles the goal set by Executive Order 01.01.2001.02 – *Sustaining Maryland's Future with Clean Power, Green Buildings and Energy Efficiency*. That executive order calls for the procurement of electricity for use within State-owned facilities with a goal of only six percent to be generated from "green energy".

Maryland receives a large amount of federal funding for construction projects. Additional costs for environmentally preferable products and equipment may not be covered by federal standards. As a result, the State would face additional costs that would otherwise be absorbed by federal funding. Maryland is clearly ahead on the issue of "green energy", as I have stated above. House Bill 811 presents additional expenditures that the State is not currently in a position to undertake and cannot afford.

For the above stated reasons, I have vetoed House Bill 811.

Very truly yours,  
Robert L. Ehrlich, Jr.  
Governor