

HOUSE BILL 639

M3, P2

2lr3074
CF SB 222

By: **Delegates Morhaim and McIntosh**

Introduced and read first time: February 8, 2012

Assigned to: Health and Government Operations and Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **High Performance Buildings Act – Applicability to Recipients of State Aid**

3 FOR the purpose of making the High Performance Buildings Act applicable to certain
4 capital projects that are funded or financed, to a certain extent, by a grant of
5 State aid to certain grantees; requiring the Department of Housing and
6 Community Development to require certain recipients of State funds to employ
7 certain standards under certain circumstances; authorizing the Secretary of
8 Housing and Community Development to provide a certain waiver; defining
9 certain terms; altering certain definitions; and generally relating to the
10 construction of high performance buildings by certain grantees that receive
11 certain State aid.

12 BY repealing and reenacting, with amendments,
13 Article – State Finance and Procurement
14 Section 3–602.1 and 7–406(a)(5)
15 Annotated Code of Maryland
16 (2009 Replacement Volume and 2011 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – State Finance and Procurement
19 Section 7–406(a)(3)
20 Annotated Code of Maryland
21 (2009 Replacement Volume and 2011 Supplement)

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

24 **Article – State Finance and Procurement**

25 3–602.1.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) (1) In this section the following words have the meanings indicated.

2 (2) “GRANTEE” HAS THE MEANING STATED IN § 7-406 OF THIS
3 ARTICLE.

4 [(2)] (3) “High performance building” means a building that:

5 (i) meets or exceeds the current version of the U.S. Green
6 Building Council’s LEED (Leadership in Energy and Environmental Design) Green
7 Building Rating System Silver rating; [or]

8 (ii) achieves at least a comparable numeric rating according to a
9 nationally recognized, accepted, and appropriate numeric sustainable development
10 rating system, guideline, or standard approved by the Secretaries of Budget and
11 Management and General Services; OR

12 (iii) IN THE CASE OF A GRANTEE, MEETS OR EXCEEDS A
13 RATING OR STANDARD EQUIVALENT TO THE CURRENT VERSION OF THE U.S.
14 GREEN BUILDING COUNCIL’S LEED GREEN BUILDING RATING SYSTEM
15 SILVER RATING, AS DETERMINED BY THE SECRETARY OF BUDGET AND
16 MANAGEMENT AND THE SECRETARY OF GENERAL SERVICES.

17 [(3)] (4) “Major renovation” means the renovation of a building
18 where:

19 (i) the building shell is to be reused for the new construction;

20 (ii) the heating, ventilating, and air conditioning (HVAC),
21 electrical, and plumbing systems are to be replaced; and

22 (iii) the scope of the renovation is 7,500 square feet or greater.

23 (5) “STATE AID” HAS THE MEANING STATED IN § 7-406 OF THIS
24 ARTICLE.

25 (b) It is the intent of the General Assembly that, to the extent practicable:

26 (1) the State shall employ green building technologies when
27 constructing or renovating a State building not subject to this section; and

28 (2) high performance buildings shall meet the criteria and standards
29 established under the “High Performance Green Building Program” adopted by the
30 Maryland Green Building Council.

1 (c) (1) [This] **EXCEPT FOR PROJECTS FUNDED SOLELY OR PARTLY BY**
2 **THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, THIS**
3 subsection applies to:

4 (i) capital projects that are funded solely with State funds;
5 [and]

6 (ii) community college capital projects that receive State funds;
7 **AND**

8 **(III) CAPITAL PROJECTS THAT ARE FUNDED OR FINANCED**
9 **SOLELY OR PARTLY BY A GRANT OF STATE AID TO A GRANTEE AS FOLLOWS:**

10 **1. ON OR AFTER JULY 1, 2013, A CAPITAL PROJECT**
11 **FOR WHICH STATE AID TO THE GRANTEE COMPRISES 50% OR MORE OF THE**
12 **MONEY ALLOCATED FOR THE CAPITAL PROJECT;**

13 **2. ON OR AFTER JULY 1, 2014, A CAPITAL PROJECT**
14 **FOR WHICH STATE AID TO THE GRANTEE COMPRISES 40% OR MORE OF THE**
15 **MONEY ALLOCATED FOR THE CAPITAL PROJECT;**

16 **3. ON OR AFTER JULY 1, 2015, A CAPITAL PROJECT**
17 **FOR WHICH STATE AID TO THE GRANTEE COMPRISES 25% OR MORE OF THE**
18 **MONEY ALLOCATED FOR THE CAPITAL PROJECT; AND**

19 **4. ON OR AFTER JULY 1, 2016, A CAPITAL PROJECT**
20 **FOR WHICH STATE AID TO THE GRANTEE COMPRISES ANY PORTION OF THE**
21 **MONEY ALLOCATED FOR THE CAPITAL PROJECT.**

22 (2) Except as provided in subsections (d) and (e) of this section, if a
23 capital project includes the construction or major renovation of a building that is 7,500
24 square feet or greater, the building shall be constructed or renovated to be a high
25 performance building.

26 (d) The following types of unoccupied buildings are not required to [be
27 constructed or renovated to be high performance buildings] **COMPLY WITH**
28 **SUBSECTION (C) OF THIS SECTION:**

29 (1) warehouse and storage facilities;

30 (2) garages;

31 (3) maintenance facilities;

32 (4) transmitter buildings;

1 (5) pumping stations; and

2 (6) other similar types of buildings, as determined by the Department.

3 (e) (1) The Department of Budget and Management and the Department
4 of General Services shall jointly establish a process to allow a unit of State
5 government [or], a community college, **OR A GRANTEE** to obtain a waiver from
6 complying with subsection (c) of this section.

7 (2) The waiver process shall:

8 (i) include a review by the Maryland Green Building Council
9 established under § 4-809 of this article, to determine if the use of a high performance
10 building in a proposed capital project is not practicable **OR WOULD CREATE SUCH**
11 **SIGNIFICANT HARDSHIP THAT THE GRANTEE WOULD BE UNABLE TO COMPLETE**
12 **THE PROJECT; [and]**

13 **(II) EXEMPT FROM COMPLIANCE WITH SUBSECTION (C) OF**
14 **THIS SECTION THOSE TYPES OF CAPITAL PROJECTS FOR WHICH THERE WAS NO**
15 **U.S. GREEN BUILDING COUNCIL LEED STANDARD AS OF JUNE 1, 2011; AND**

16 **[(ii)] (III)** require the approval of a waiver by the Secretaries of
17 Budget and Management, General Services, and Transportation.

18 **(F) (1) THE DEPARTMENT OF HOUSING AND COMMUNITY**
19 **DEVELOPMENT SHALL REQUIRE RECIPIENTS OF STATE FUNDS FOR THE**
20 **CONSTRUCTION AND RENOVATION OF BUILDINGS UNDER ITS PROGRAMS TO**
21 **EMPLOY:**

22 **(I) GREEN BUILDING STANDARDS, AS DEFINED IN THIS**
23 **SECTION; OR**

24 **(II) OTHER APPLICABLE STANDARDS, APPROVED BY THE**
25 **SECRETARY, THAT ENHANCE AND SUPPORT AFFORDABLE HOUSING**
26 **OPPORTUNITIES AND COMMUNITY DEVELOPMENT.**

27 **(2) THE SECRETARY OF HOUSING AND COMMUNITY**
28 **DEVELOPMENT MAY PROVIDE A WAIVER OF THESE STANDARDS FOR A SPECIFIC**
29 **PROJECT.**

30 7-406.

31 (a) (3) (i) "Grantee" means a for profit or nonprofit entity or
32 association that receives State aid during a fiscal year.

1 (ii) “Grantee” does not include a unit of State or local
2 government.

3 (5) (i) “State aid” means a contribution, grant, **FINANCING**
4 **ASSISTANCE**, or subsidy of [**\$50,000**] **\$250,000** or more provided through the State
5 operating or capital budget or by the action of a unit of State government from State
6 funds appropriated to that unit.

7 (ii) “State aid” does not include reimbursements to providers
8 participating in a State program.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2012.