



House Bill 119

Energy Performance Contracts - Navigators, Funding, and Requirements

MACo Position: **SUPPORT**
WITH AMENDMENTS

To: Environment and Transportation Committee

Date: February 3, 2026

From: Karrington Anderson

The Maryland Association of Counties (MACo) **SUPPORTS** HB 119 **WITH AMENDMENTS**. The bill seeks to expand and improve access to energy performance contracting by requiring additional coordination with the Maryland Clean Energy Center (MCEC). HB 119 would create regional “navigators” to assist public bodies, including counties, and expand the allowable uses of grants and loans under the Jane E. Lawton Conservation Loan Program.

Counties across Maryland have long used energy performance contracts to modernize public facilities, reduce energy consumption, and lower operating costs. Energy performance contracts are a proven, flexible tool that counties rely on to meet local needs, budget constraints, and long-term sustainability goals. Counties appreciate the bill’s intent to provide additional technical and financial resources to public bodies seeking to pursue these projects, particularly through expanded access to grants and loans under the Jane E. Lawton Conservation Loan Program. Optional expertise and assistance in identifying and applying for state, federal, and utility funding could be beneficial for counties that lack internal capacity to pursue complex energy projects.

However, provisions directing navigators to review and establish energy efficiency measures and clean energy projects to reduce building energy costs should be framed as guidance and technical assistance rather than directives. As drafted, HB 119 creates new administrative burdens for counties that are already successfully using energy performance contracts. The bill requires public bodies to provide notice to a regional navigator prior to entering into a contract and mandates that public bodies comply with Title 12, Subtitle 3 of the State Finance and Procurement Article, which imposes additional procedural obligations and limits local flexibility.

While MACo supports the availability of navigators through the Maryland Clean Energy Center as a resource, the bill should clearly state that their role is advisory and that counties are not required to engage a navigator in order to proceed with an energy performance contract. Counties must retain full discretion over project scope, procurement, and execution. With amendments to clarify that the bill is enabling rather than prescriptive, MACo urges a **FAVORABLE WITH AMENDMENTS** report for HB 119 (MACo’s suggested amendments are on the next page).

MACo Amendments on HB 119:

- On page 3, strike beginning with “(1)” in line 15 down through “REGION.” in line 19 and substitute “WHEN ENTERING INTO AN ENERGY PERFORMANCE CONTRACT A PUBLIC BODY MAY REQUEST ASSISTANCE FROM THE NAVIGATOR FOR THE PUBLIC BODY’S REGION IN NEGOTIATING AND DEVELOPING AN ENERGY PERFORMANCE CONTRACT.”.
- On page 4, in lines 16 and 17, strike “NOTICE”, “(A)(2)”, and “SHALL”, respectively, and substitute “A REQUEST FOR ASSISTANCE”, “(A)”, and “MAY”, respectively.