



HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 2601

PRINTER'S NO: 3971

PRIME SPONSOR: Siptroth

FISCAL IMPACT SUMMARY	FY 2010/11	FY 2011/12
Expenditure Increase/(Decrease):		
General Fund	\$0	\$0

OVERVIEW:

House Bill 2601 establishes the Green Technology Implementation Act, providing for the testing of new, environmentally beneficial and energy efficient technologies within various State agencies.

The bill provides that if the Secretary of the Department of General Services (DGS) determines use of a certain technology, product or process will promote energy conservation, energy efficiency or renewable energy, the Secretary, with the approval of the Governor, may direct a State agency to test a technology, product or process by using it in the agency's operations on a 30 to 60 day trial basis.

The purpose of a test program is to validate the effectiveness and feasibility of a technology, product or process in reducing energy usage and costs, dependence on fossil fuels, or greenhouse gas emissions. No agency is to undertake testing unless the entity manufacturing or marketing the product demonstrates that it is safe; sufficient research and development has occurred; and the technology has potential for commercialization no later than two years following completion of the test program. The product must also have been previously proven, as verified by an independent third party, to reduce energy consumption and energy costs and to reduce greenhouse gas emissions.

DGS, in conjunction with the Department of Environmental Protection (DEP), shall maintain a list of independent third party entities and develop standards for qualifications.

The bill also provides that if the Secretary determines the test program sufficiently demonstrates a technology, product or process is successful, the Secretary, with the approval of the Governor and the administrative head of the testing agency, may include the technology, product or process on a department statewide requirements contract or, upon the request of the testing agency or other agency, procure the item in accordance with Title 62. Acquisition of any technology, product or process for purposes of the test program shall not be deemed a purchase under the provisions of state procurement law. However, upon implementation of a technology, product or process at a State agency after the testing period has expired, DGS may make such purchases as are authorized under Title 62. State agencies whose purchasing is not provided for by DGS are authorized to make such purchases as applicable under this bill.

This act shall take effect in 60 days.

ANALYSIS:

The Secretary of DGS may not direct a state agency to test a technology unless the business entity benefiting from the field-testing pays all of the associated costs and assumes all risks of liability associated with the testing. The Commonwealth is under no obligation to purchase the technology, product or process. Enactment of this legislation is not expected to have an adverse impact on Commonwealth funds.

PREPARED BY: Antoinette L. Marchowsky, Budget Analyst
House Appropriations Committee, (D)

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General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*