



Senate Fiscal Agency  
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BILL ANALYSIS

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House Bill 5316 (Substitute H-3 as reported without amendment)  
Sponsor: Representative Fred Miller  
House Committee: Appropriations  
Senate Committee: Energy Policy and Public Utilities

### **CONTENT**

The bill would amend the Management and Budget Act to require the Department of Management and Budget (DMB) to issue directives requiring all buildings and facilities owned by the State to use high-efficiency lamps when replacing an existing lamp or installing a new one. ("High-efficiency lamp" would mean a lamp with a luminous efficacy of at least 50 lumens per watt.)

If the State leased a building or facility, it would have to lease one with high-efficiency lighting whenever feasible.

Additionally, the DMB would have to issue directives to require all buildings and facilities owned by the State to use electronic ballasts when replacing an existing magnetic ballast or when an electronic ballast was needed to support a new high-efficiency lamp. If the replacement of an existing lamp or ballast required major renovations to the surrounding structure or other cost-prohibitive building modifications, the DMB would have to replace the lamp or ballast during the next major building renovation.

The DMB could allow the use of lower efficiency lamps in historical buildings if it determined that a high-efficiency lamp would not operate in a manner that provided adequate illumination or energy efficiency.

MCL 18.1241b

Legislative Analyst: Julie Cassidy

### **FISCAL IMPACT**

The bill's potential cost to the State is indeterminate. The State could incur an initial cost from converting to high-efficiency lamps, as they are currently more expensive than incandescent lamps. This anticipated additional cost eventually could be offset by the expected savings from lower energy costs to the State as a result of using high-efficiency lamps, and in fact could lead to overall savings over time. The amount of potential savings is indeterminate and dependent on future energy costs.

The bill would have no fiscal impact on local government.

Date Completed: 5-21-08

Fiscal Analyst: Joe Carrasco