

HB 278-FN - AS INTRODUCED

2025 SESSION

25-0621

09/08

HOUSE BILL            **278-FN**

AN ACT                relative to proxy carbon pricing in state procurement.

SPONSORS:            Rep. N. Germana, Ches. 15; Rep. McGhee, Hills. 35; Rep. Parshall, Ches. 8

COMMITTEE:          Executive Departments and Administration

---

ANALYSIS

This bill requires the department of administrative services to consider proxy carbon pricing in transportation costs and building project costs.

-----

Explanation:        Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears ~~[in brackets and struckthrough.]~~  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Five*

AN ACT relative to proxy carbon pricing in state procurement.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1           1 New Section; Proxy Carbon Pricing. Amend RSA 21-I by inserting after section 14-d the  
2 following new section:

3           21-I:14-e Proxy Carbon Pricing.

4           I. In this section, "proxy carbon pricing" means the price of the cost of carbon dioxide  
5 equivalent greenhouse gas emissions based on modeled rates on a graduated scale over time as set  
6 forth in paragraph III.

7           II. In its procurement decisions, the department of administrative services shall incorporate  
8 a proxy carbon price in cost comparisons for transportation costs and for building heating and  
9 cooling costs for all new construction and renovations. The calculation of the proxy carbon cost and  
10 the cost comparisons for purchasing decisions shall be included in the state's annual energy report  
11 under RSA 21-I:14-c.

12           III. Beginning January 1, 2026, the commissioner shall use a proxy carbon price of \$85 per  
13 ton and shall increase such per ton costs by \$10 every January 1 until January 1, 2050. Prices shall  
14 be inflation-adjusted from a 2010 valuation. The carbon dioxide equivalent emissions of natural gas  
15 shall be determined using a methane multiplier of 1.3 times the carbon dioxide emissions of natural  
16 gas to account for one percent methane leakage at 80 times the 20-year warming forcing equivalence  
17 of carbon dioxide.

18           2 Effective Date. This act shall take effect January 1, 2026.

**HB 278-FN- FISCAL NOTE  
 AS INTRODUCED**

AN ACT relative to proxy carbon pricing in state procurement.

**FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.**

<b>Estimated State Impact</b>				
	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Revenue</b>	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
<b>Expenditures*</b>	\$0	\$0	Indeterminable Increase	Indeterminable Increase
<i>Funding Source(s)</i>	None			
<b>Appropriations*</b>	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

**\*Expenditure = Cost of bill**

**\*Appropriation = Authorized funding to cover cost of bill**

**METHODOLOGY:**

This bill requires the Department of Administrative Services to include proxy carbon pricing in transportation costs and building project costs. The Department states that the bill would have an indeterminable effect on state expenditures due to the impossibility of predicting whether calculating projected proxy carbon price costs for various transportation methods will have any measurable effect on actual decisions made in purchasing. Additionally, more staff would be needed to calculate and analyze the carbon metrics for purchasing needs. However, the bill neither appropriates any funds, nor authorizes any new positions. The exact number of staff hours required to calculate and analyze the carbon metrics for purchasing needs is unknown, making the number additional staff and associated expenditure indeterminable.

It is assumed that any fiscal impact would occur after FY 2026.

**AGENCIES CONTACTED:**

Department of Administrative Services