

# HOUSE BILL 1526

R2, B1

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By: **Delegates Korman and Barve**

Introduced and read first time: February 7, 2020

Assigned to: Environment and Transportation and Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Transportation Carbon Reduction Fund – Establishment**  
3 **(Transportation Carbon Fund Act)**

4 FOR the purpose of establishing the Transportation Carbon Reduction Fund as a special,  
5 nonlapsing fund; specifying the purpose of the Fund; requiring the Secretary of  
6 Transportation to administer the Fund; requiring the State Treasurer to hold the  
7 Fund separately, and the Comptroller to account for the Fund; specifying the  
8 contents of the Fund; specifying the purpose for which the Fund may be used;  
9 providing for the investment of money in and expenditures from the Fund; requiring  
10 interest earnings of the Fund to be credited to the Fund; exempting the Fund from a  
11 certain provision of law requiring interest earnings on State money to accrue to the  
12 General Fund of the State; providing that expenditures from the Fund shall be made  
13 in accordance with the State budget; establishing the Transportation and Climate  
14 Initiative Workgroup; stating the purpose of the Workgroup; providing for the  
15 composition, chair, and staffing of the Workgroup; prohibiting a member of the  
16 Workgroup from receiving certain compensation, but authorizing the reimbursement  
17 of certain expenses; authorizing the Workgroup to establish subcommittees;  
18 requiring the Workgroup to perform certain studies, consult with stakeholders from  
19 all regions of the State, develop certain recommendations, and implement certain  
20 processes; requiring the Workgroup to publish a report with its findings and  
21 recommendations, including an appendix with public comments, on the Maryland  
22 Department of Transportation website on or before a certain date; requiring the  
23 Workgroup to report its findings and recommendations to the Governor and the  
24 General Assembly on or before a certain date; providing for the termination of certain  
25 provisions of this Act; defining certain terms; and generally relating to the  
26 Transportation Carbon Reduction Fund.

27 BY repealing and reenacting, without amendments,  
28 Article – State Finance and Procurement  
29 Section 6–226(a)(2)(i)  
30 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 6–226(a)(2)(ii)121. and 122.  
Annotated Code of Maryland  
(2015 Replacement Volume and 2019 Supplement)

BY adding to  
Article – State Finance and Procurement  
Section 6–226(a)(2)(ii)123. and 7–332  
Annotated Code of Maryland  
(2015 Replacement Volume and 2019 Supplement)

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

**Article – State Finance and Procurement**

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

121. the Markell Hendricks Youth Crime Prevention and Diversion Parole Fund; [and]

122. the Federal Government Shutdown Employee Assistance Loan Fund; AND

**123. THE TRANSPORTATION CARBON REDUCTION FUND.**

**7–332.**

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “FUND” MEANS THE TRANSPORTATION CARBON REDUCTION FUND.

1           **(3) “TRANSPORTATION AND CLIMATE INITIATIVE” MEANS A**  
2 **REGIONAL COLLABORATION OF 12 NORTHEAST AND MID-ATLANTIC STATES AND**  
3 **THE DISTRICT OF COLUMBIA THAT SEEKS TO IMPROVE TRANSPORTATION,**  
4 **DEVELOP THE CLEAN ENERGY ECONOMY, AND REDUCE CARBON EMISSIONS FROM**  
5 **THE TRANSPORTATION SECTOR.**

6           **(B) THERE IS A TRANSPORTATION CARBON REDUCTION FUND.**

7           **(C) THE PURPOSE OF THE FUND IS TO RETAIN ANY REVENUE THE STATE**  
8 **RECEIVES FROM ITS PARTICIPATION IN THE TRANSPORTATION AND CLIMATE**  
9 **INITIATIVE.**

10          **(D) THE SECRETARY OF TRANSPORTATION SHALL ADMINISTER THE FUND.**

11          **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
12 **SUBJECT TO § 7-302 OF THIS SUBTITLE.**

13               **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**  
14 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

15          **(F) THE FUND CONSISTS OF:**

16               **(1) ALL REVENUES RECEIVED BY THE STATE FROM ITS**  
17 **PARTICIPATION IN THE TRANSPORTATION AND CLIMATE INITIATIVE; AND**

18               **(2) THE INTEREST EARNINGS OF THE FUND.**

19          **(G) THE FUND MAY BE USED ONLY TO FINANCE PROJECTS AND PROGRAMS**  
20 **RELATED TO THE STATE’S PARTICIPATION IN THE TRANSPORTATION AND CLIMATE**  
21 **INITIATIVE.**

22          **(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**  
23 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

24               **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**  
25 **THE FUND.**

26          **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**  
27 **WITH THE STATE BUDGET.**

28          **(J) (1) MONEY EXPENDED FROM THE FUND FOR THE USES DESCRIBED**  
29 **UNDER SUBSECTION (G) OF THIS SECTION IS SUPPLEMENTAL TO AND IS NOT**

1 INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE  
2 APPROPRIATED FOR THE USES DESCRIBED UNDER SUBSECTION (G) OF THIS  
3 SECTION.

4 (2) MONEY EXPENDED FROM THE FUND MAY NOT BE USED FOR  
5 ADMINISTRATIVE EXPENSES.

6 SECTION 2. AND BE IT FURTHER ENACTED, That:

7 (a) There is a Transportation and Climate Initiative Workgroup.

8 (b) The purpose of the Workgroup is to study and make recommendations related  
9 to funds from the Transportation and Climate Initiative based on data, studies, and  
10 community consultation.

11 (c) The Workgroup consists of the following members:

12 (1) two members of the Senate of Maryland, appointed by the President of  
13 the Senate; and

14 (2) two members of the House of Delegates, appointed by the Speaker of  
15 the House.

16 (d) The Department of Legislative Services shall provide staff for the Workgroup.

17 (e) The Workgroup shall designate a chair from among its members.

18 (f) The Workgroup may establish subcommittees as necessary to fulfill its duties.

19 (g) A member of the Workgroup:

20 (1) may not receive compensation as a member of the Workgroup; but

21 (2) is entitled to reimbursement for expenses under the Standard State  
22 Travel Regulations, as provided in the State budget.

23 (h) The Workgroup shall:

24 (1) study:

25 (i) mapping indicators and parameters for defining, through a  
26 geographic boundary, disadvantaged communities, including those overburdened by  
27 disproportionate cumulative exposure to pollution or disproportionate rates of pedestrian  
28 fatalities, and communities with disparities in access to transit and mobility options  
29 relative to population density and commute times;

1 (ii) potential data sets, studies, and indicators that could be used to  
2 inform funding priorities or assess the impact of funding; and

3 (iii) procurement and investment policies that maximize job creation  
4 in the State;

5 (2) consult with stakeholders from all regions of the State, including:

6 (i) the Executive Branch;

7 (ii) environmental advocacy groups;

8 (iii) public and private sector transportation experts; and

9 (iv) environmental justice communities;

10 (3) develop recommendations on:

11 (i) creating a best-value analysis tool to maximize the benefits of  
12 investment decisions, including benefits related to greenhouse gas emissions reductions,  
13 improving public health and air quality, expanding multimodal access to jobs and services,  
14 facilitating walking and biking, job creation and workforce development, and reducing the  
15 cost of living for low-income households;

16 (ii) projects and programs to prioritize for funding, including projects  
17 and programs for improving public transit, pedestrian, and biking infrastructure,  
18 facilitating the use of electric passenger vehicles, buses, and school buses, reducing vehicle  
19 miles traveled, and facilitating transit-oriented development with affordable housing;

20 (iii) the percentage of dedicated investments that should be targeted  
21 toward disadvantaged communities and workers;

22 (iv) requirements and strategies for culturally competent public  
23 engagement to reflect the diversity of communities in the State and for a community input  
24 process for the program's investment decisions; and

25 (v) a process for reporting the progress of the Workgroup to the  
26 General Assembly;

27 (4) (i) establish a community advisory subcommittee to advise and  
28 gather input on the Workgroup recommendations; and

29 (ii) authorize the Workgroup chair to name members of the  
30 community advisory subcommittee, including naming members from among community  
31 residents, liaisons from impacted communities, academic institutions, public health  
32 organizations, organized labor, businesses, environmental advocacy groups, environmental  
33 justice groups, scientists, and community engagement consultants;

(5) (i) hold at least three culturally competent meetings to receive input on its recommendations related to impacted communities;

(ii) hold meetings at various times and locations, and in multiple formats and languages, to receive input from a diverse group of stakeholders; and

(iii) hold at least three meetings with the community advisory subcommittee to discuss options under consideration and receive the subcommittee's recommendations; and

(6) make public solicitations for written public comment.

(i) (1) On or before June 1, 2021, the Workgroup shall publish a report with its findings and recommendations, including an appendix with public comments, on the Maryland Department of Transportation website.

(2) On or before June 1, 2021, the Workgroup shall report its findings and recommendations to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020. Section 2 of this Act shall remain effective for a period of 2 years and, at the end of June 30, 2022, Section 2 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.