

# HOUSE BILL 395

M4, P1, M5

0lr2511

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By: **Delegates Krimm and Stein**

Introduced and read first time: January 22, 2020

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 12, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Strategic Energy Investment Fund – Regional Greenhouse Gas**  
3 **Initiative – Use of Proceeds for Maryland Healthy Soils Program**

4 FOR the purpose of specifying that funds in a certain renewable and clean energy programs  
5 account within the Maryland Strategic Energy Investment Fund be used for the  
6 Maryland Healthy Soils Program; requiring that ~~the greater of a certain percentage~~  
7 ~~or a certain~~ dollar amount of the renewable and clean energy programs account be  
8 allocated to the Maryland Healthy Soils Program; providing for the termination of  
9 this Act; and generally relating to the Maryland Strategic Energy Investment Fund.

10 BY repealing and reenacting, without amendments,  
11 Article – Environment  
12 Section 2–1002(g)  
13 Annotated Code of Maryland  
14 (2013 Replacement Volume and 2019 Supplement)

15 BY repealing and reenacting, without amendments,  
16 Article – State Government  
17 Section 9–20B–05(a) and (f)(1)(iii)  
18 Annotated Code of Maryland  
19 (2014 Replacement Volume and 2019 Supplement)

20 BY repealing and reenacting, with amendments,  
21 Article – State Government  
22 Section 9–20B–05(g)

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



Annotated Code of Maryland  
(2014 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 – Environment

2–1002.

(g) (1) In this subsection, “allowance” means one ton of carbon dioxide that may be bought, sold, traded, or banked for use under the Regional Greenhouse Gas Initiative.

(2) Not later than June 30, 2007, the Governor shall include the State as a full participant in the Regional Greenhouse Gas Initiative among Mid–Atlantic and Northeast states.

(3) The State may withdraw from the Initiative, as provided in the December 20, 2005 memorandum of understanding of the Initiative, at any time after January 1, 2009, if the General Assembly enacts a law to approve the withdrawal.

(4) If the Regional Greenhouse Gas Initiative expires and there is a successor organization with the same purposes and goals, the Governor is encouraged to join the State in the successor organization.

(5) Notwithstanding § 2–107 of this title, all of the proceeds from the sale of Maryland allowances under the Regional Greenhouse Gas Initiative shall be deposited in the Maryland Strategic Energy Investment Fund under § 9–20B–05 of the State Government Article.

(6) If the State’s participation in the Regional Greenhouse Gas Initiative ceases for any reason, the Governor shall report to the General Assembly, in accordance with § 2–1257 of the State Government Article, regarding:

(i) Why participation ceased; and

(ii) A plan to reduce carbon dioxide emissions from power plants in the State that considers the use of Maryland grown, native, warm season grasses as a possible method of reducing carbon emissions.

### Article – State Government

9–20B–05.

(a) There is a Maryland Strategic Energy Investment Fund.

(f) The Administration shall use the Fund:

(1) to invest in the promotion, development, and implementation of:

(iii) climate change programs directly related to reducing or mitigating the effects of climate change; and

(g) **(1)** Proceeds received by the Fund from the sale of allowances under § 2–1002(g) of the Environment Article shall be allocated as follows:

**[(1)] (I)** at least 50% shall be credited to an energy assistance account to be used for the Electric Universal Service Program and other electricity assistance programs in the Department of Human Services;

**[(2)] (II)** at least 20% shall be credited to a low and moderate income efficiency and conservation programs account and to a general efficiency and conservation programs account for energy efficiency and conservation programs, projects, or activities and demand response programs, of which at least one-half shall be targeted to the low and moderate income efficiency and conservation programs account for:

**[(i)] 1.** the low-income residential sector at no cost to the participants of the programs, projects, or activities; and

**[(ii)] 2.** the moderate-income residential sector;

**[(3)] (III) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,** at least 20% shall be credited to a renewable and clean energy programs account for:

**[(i)] 1.** renewable and clean energy programs and initiatives;

**[(ii)] 2.** energy-related public education and outreach; and

**[(iii)] 3.** climate change and resiliency programs, **INCLUDING THE MARYLAND HEALTHY SOILS PROGRAM ESTABLISHED UNDER § 2–1901 OF THE AGRICULTURE ARTICLE;** and

**[(4)] (IV)** up to 10%, but not more than \$5,000,000, shall be credited to an administrative expense account for costs related to the administration of the Fund, including the review of electric company plans for achieving electricity savings and demand reductions that the electric companies are required under law to submit to the Administration.

**(2) OF THE 20% CREDITED TO A RENEWABLE AND CLEAN ENERGY PROGRAMS ACCOUNT UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION, ~~THE GREATER OF 10% OR \$1,000,000~~ \$500,000 SHALL BE ALLOCATED TO THE MARYLAND HEALTHY SOILS PROGRAM.**

1       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   October 1, 2020. It shall remain effective for a period of 5 years and, at the end of September  
3   30, 2025, this Act, with no further action required by the General Assembly, shall be  
4   abrogated and of no further force and effect.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.