

# HOUSE BILL 395

M4, P1, M5

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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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## A BILL ENTITLED

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 dollar amount of the renewable and clean energy programs account be allocated  
8 to the Maryland Healthy Soils Program; and generally relating to the Maryland  
9 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)  
23 Annotated Code of Maryland  
24 (2014 Replacement Volume and 2019 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



**Article – Environment**

2 2–1002.

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

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

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

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

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

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

22 (i) Why participation ceased; and

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

**Article – State Government**

26 9–20B–05.

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

28 (f) The Administration shall use the Fund:

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

30 (iii) climate change programs directly related to reducing or  
31 mitigating the effects of climate change; and  
32

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

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

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

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

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

14 [(3)] (III) **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION**, at least  
15 20% shall be credited to a renewable and clean energy programs account for:

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

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

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

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

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

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
31 October 1, 2020.