

# SENATE BILL 323

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CF HB 610

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By: **Senators Pinsky, Raskin, Benson, Brochin, Conway, Currie, Feldman, Ferguson, Guzzone, Kagan, Kelley, King, Klausmeier, Lee, Madaleno, Manno, Mathias, McFadden, Middleton, Miller, Nathan-Pulliam, Peters, Pugh, Ramirez, Rosapepe, Young, and Zirkin**

Introduced and read first time: January 27, 2016

Assigned to: Education, Health, and Environmental Affairs

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 18, 2016

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

1 AN ACT concerning

2 **Greenhouse Gas Emissions Reduction Act – Reauthorization**

3 FOR the purpose of repealing the termination date for a certain provision of law requiring  
4 the State to reduce statewide greenhouse gas emissions by a certain amount by a  
5 certain date; requiring the State to reduce statewide greenhouse gas emissions by a  
6 certain amount by a certain date; requiring the Department of the Environment to  
7 submit a proposed plan in accordance with certain requirements to the Governor and  
8 the General Assembly on or before a certain date; requiring the Department to adopt  
9 a final plan in accordance with certain requirements on or before a certain date;  
10 requiring an institution of higher education in the State to conduct a certain study  
11 in accordance with certain requirements and submit the study to the Governor and  
12 the General Assembly on or before a certain date; authorizing the General Assembly  
13 to maintain, revise, or eliminate certain statewide greenhouse gas emissions  
14 reduction requirements under certain circumstances; requiring the General  
15 Assembly to consider whether to continue certain manufacturing provisions under  
16 certain circumstances; altering the date by which the Department must monitor the  
17 implementation of certain plans and submit certain reports to the Governor and the  
18 General Assembly on or before certain dates; requiring the Department to include  
19 certain agencies and entities in certain discussions regarding certain matters;  
20 making the provisions of this Act severable; providing for the termination of a certain  
21 provision of this Act; and generally relating to the reduction of statewide greenhouse  
22 gas emissions.

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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.



1 BY repealing and reenacting, with amendments,  
2 Chapter 171 of the Acts of the General Assembly of 2009  
3 Section 7

4 BY repealing and reenacting, with amendments,  
5 Chapter 172 of the Acts of the General Assembly of 2009  
6 Section 7

7 BY repealing and reenacting, without amendments,  
8 Article – Environment  
9 Section 2–1204  
10 Annotated Code of Maryland  
11 (2013 Replacement Volume and 2015 Supplement)

12 BY adding to  
13 Article – Environment  
14 Section 2–1204.1  
15 Annotated Code of Maryland  
16 (2013 Replacement Volume and 2015 Supplement)

17 BY repealing and reenacting, with amendments,  
18 Article – Environment  
19 Section 2–1205, 2–1206, 2–1207, 2–1210, and 2–1211  
20 Annotated Code of Maryland  
21 (2013 Replacement Volume and 2015 Supplement)

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

24 **Chapter 171 of the Acts of 2009**

25 SECTION 7. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take  
26 effect October 1, 2009. [It shall remain effective for a period of 7 years and 3 months, and  
27 at the end of December 31, 2016, with no further action required by the General Assembly,  
28 Section 2 of this Act shall be abrogated and of no further force and effect.]

29 **Chapter 172 of the Acts of 2009**

30 SECTION 7. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take  
31 effect October 1, 2009. [It shall remain effective for a period of 7 years and 3 months, and  
32 at the end of December 31, 2016, with no further action required by the General Assembly,  
33 Section 2 of this Act shall be abrogated and of no further force and effect.]

34 **Article – Environment**

35 2–1204.

1 The State shall reduce statewide greenhouse gas emissions by 25% from 2006 levels  
2 by 2020.

3 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
4 as follows:

5 **Article – Environment**

6 **2–1204.1.**

7 **THE STATE SHALL REDUCE STATEWIDE GREENHOUSE GAS EMISSIONS BY 40%**  
8 **FROM 2006 LEVELS BY 2030.**

9 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
10 as follows:

11 **Article – Environment**

12 **2–1205.**

13 (a) The State shall develop [a plan] **PLANS**, adopt regulations, and implement  
14 programs that reduce statewide greenhouse gas emissions in accordance with this subtitle.

15 (b) On or before December 31, [2011] **2018**, the Department shall:

16 (1) Submit a proposed plan **THAT REDUCES STATEWIDE GREENHOUSE**  
17 **GAS EMISSIONS BY 40% FROM 2006 LEVELS BY 2030** to the Governor and General  
18 Assembly;

19 (2) Make the proposed plan available to the public; and

20 (3) Convene a series of public workshops to provide interested parties with  
21 an opportunity to comment on the proposed plan.

22 (c) (1) The Department shall, on or before December 31, 2012, adopt a final  
23 plan that reduces statewide greenhouse gas emissions by 25% from 2006 levels by 2020.

24 **(2) THE DEPARTMENT SHALL, ON OR BEFORE DECEMBER 31, 2019,**  
25 **ADOPT A FINAL PLAN THAT REDUCES STATEWIDE GREENHOUSE GAS EMISSIONS BY**  
26 **40% FROM 2006 LEVELS BY 2030.**

27 **[(2)] (3)** The [plan] **PLANS** shall be developed [as the initial State action]  
28 in recognition of the finding by the Intergovernmental Panel on Climate Change that  
29 developed countries will need to reduce greenhouse gas emissions by between 80% and 95%  
30 from 1990 levels by 2050.

1 (d) The final [plan] PLANS required under subsection (c) of this section shall  
2 include:

3 (1) Adopted regulations that implement all plan measures for which State  
4 agencies have existing statutory authority; and

5 (2) A summary of any new legislative authority needed to fully implement  
6 the [plan] PLANS and a timeline for seeking legislative authority.

7 (e) In developing and adopting a final plan to reduce statewide greenhouse gas  
8 emissions, the Department shall consult with State and local agencies as appropriate.

9 (f) (1) Unless required by federal law or regulations or existing State law,  
10 regulations adopted by State agencies to implement [the] A final plan may not:

11 (i) Require greenhouse gas emissions reductions from the State's  
12 manufacturing sector; or

13 (ii) Cause a significant increase in costs to the State's manufacturing  
14 sector.

15 (2) Paragraph (1) of this subsection may not be construed to exempt  
16 greenhouse gas emissions sources in the State's manufacturing sector from the obligation  
17 to comply with:

18 (i) Greenhouse gas emissions monitoring, recordkeeping, and  
19 reporting requirements for which the Department had existing authority under § 2-301(a)  
20 of this title on or before October 1, 2009; or

21 (ii) Greenhouse gas emissions reductions required of the  
22 manufacturing sector as a result of the State's implementation of the Regional Greenhouse  
23 Gas Initiative.

24 (g) A regulation adopted by a State agency for the purpose of reducing greenhouse  
25 gas emissions in accordance with this section may not be construed to result in a significant  
26 increase in costs to the State's manufacturing sector unless the source would not incur the  
27 cost increase but for the new regulation.

28 2-1206.

29 In developing and implementing the [plan] PLANS required by § 2-1205 of this  
30 subtitle, the Department shall:

31 (1) Analyze the feasibility of measures to comply with the greenhouse gas  
32 emissions reductions required by this subtitle;

1           (2) Consider the impact on rural communities of any transportation related  
2 measures proposed in the [plan] PLANS;

3           (3) Provide that a greenhouse gas emissions source that voluntarily  
4 reduces its greenhouse gas emissions before the implementation of this subtitle shall  
5 receive appropriate credit for its early voluntary actions;

6           (4) Provide for the use of offset credits generated by alternative compliance  
7 mechanisms executed within the State, including carbon sequestration projects, to achieve  
8 compliance with greenhouse gas emissions reductions required by this subtitle;

9           (5) Ensure that the [plan does] PLANS DO not decrease the likelihood of  
10 reliable and affordable electrical service and statewide fuel supplies;

11           (6) Consider whether the measures would result in an increase in  
12 electricity costs to consumers in the State;

13           (7) Consider the impact of the [plan] PLANS on the ability of the State to:

14                   (i) Attract, expand, and retain commercial aviation services; and

15                   (ii) Conserve, protect, and retain agriculture; and

16           (8) Ensure that the greenhouse gas emissions reduction measures  
17 implemented in accordance with the [plan] PLANS:

18                   (i) Are implemented in an efficient and cost-effective manner;

19                   (ii) Do not disproportionately impact rural or low-income, low- to  
20 moderate-income, or minority communities or any other particular class of electricity  
21 ratepayers;

22                   (iii) Minimize leakage;

23                   (iv) Are quantifiable, verifiable, and enforceable;

24                   (v) Directly cause no loss of existing jobs in the manufacturing  
25 sector;

26                   (vi) Produce a net economic benefit to the State's economy and a net  
27 increase in jobs in the State; and

28                   (vii) Encourage new employment opportunities in the State related to  
29 energy conservation, alternative energy supply, and greenhouse gas emissions reduction  
30 technologies.

1 (a) (1) An institution of higher education in the State shall conduct an  
2 independent study of the economic impact of requiring greenhouse gas emissions reductions  
3 from the State's manufacturing sector.

4 (2) The [Governor shall appoint a task force to] **MARYLAND**  
5 **COMMISSION ON CLIMATE CHANGE SHALL** oversee the independent study required by  
6 this section.

7 [(3) The task force shall include representatives of:

8 (i) Labor unions;

9 (ii) Affected industries and businesses;

10 (iii) Environmental organizations; and

11 (iv) Low-income and minority communities.

12 (4) To the extent practicable, the members appointed to the task force shall  
13 reflect the geographic, racial, and gender diversity of the State.]

14 (b) On or before October 1, [2015] **2022**, the institution of higher education  
15 responsible for the independent study shall complete and submit the study to the Governor  
16 and, in accordance with § 2-1246 of the State Government Article, the General Assembly.

17 2-1210.

18 On review of the study required under § 2-1207 of this subtitle, and the ~~report~~  
19 **REPORTS** required under § ~~2-1209~~ **2-1211** of this subtitle, the General Assembly [may]:

20 (1) **MAY** act to maintain, revise, or eliminate the [25%] **40%** greenhouse  
21 gas emissions reduction required under **§ 2-1204.1 OF** this subtitle; **AND**

22 (2) **SHALL CONSIDER WHETHER TO CONTINUE THE SPECIAL**  
23 **MANUFACTURING PROVISIONS IN § 2-1205(F)(1) OF THIS SUBTITLE.**

24 2-1211.

25 The Department shall monitor implementation of the [plan] **PLANS** required under  
26 § 2-1205 of this subtitle and shall submit a report, on or before October 1, [2020] **2022**,  
27 and every 5 years thereafter, to the Governor and, in accordance with § 2-1246 of the State  
28 Government Article, the General Assembly that describes the State's progress toward  
29 achieving:

1           (1) The [reduction] **REDUCTIONS** in greenhouse gas emissions required  
2 under this subtitle, or any revisions conducted in accordance with § 2–1210 of this subtitle;  
3 and

4           (2) The greenhouse gas emissions reductions needed by 2050 in order to  
5 avoid dangerous anthropogenic changes to the Earth’s climate system, based on the  
6 predominant view of the scientific community at the time of the latest report.

7           SECTION 4. AND BE IT FURTHER ENACTED, That during the process outlined  
8 in § 2–1205(a) of the Environment Article, as enacted by Section 3 of this Act, the  
9 Department of the Environment shall include the Department of Agriculture, the Maryland  
10 Farm Bureau, the Maryland Association of Soil Conservation Districts, the Delmarva  
11 Poultry Industry, the Maryland Dairy Industry Association, and the Maryland Agricultural  
12 Commission in discussions on the role to be played by agriculture to reduce greenhouse gas  
13 emissions.

14           SECTION 5. AND BE IT FURTHER ENACTED, That, if any provision of this Act or  
15 the application thereof to any person or circumstance is held invalid for any reason in a  
16 court of competent jurisdiction, the invalidity does not affect other provisions or any other  
17 application of this Act that can be given effect without the invalid provision or application,  
18 and for this purpose the provisions of this Act are declared severable.

19           SECTION 6. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take  
20 effect October 1, 2016. It shall remain effective for a period of 7 years and 3 months and at,  
21 the end of December 31, 2023, with no further action required by the General Assembly,  
22 Section 2 of this Act shall be abrogated and of no further force and effect.

23           SECTION 7. AND BE IT FURTHER ENACTED, That, except as provided in Section  
24 6 of this Act, this Act shall take effect October 1, 2016.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.