

Department of Legislative Services  
Maryland General Assembly  
2021 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 630  
Appropriations

(Delegate Solomon)

Education, Health, and Environmental Affairs

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Primary and Secondary Education – School District Energy Use – Policy and Study

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This bill requires each local school system to adopt or update a school district energy policy by July 1, 2022. The Interagency Commission on School Construction (IAC) must coordinate with the Maryland Energy Administration (MEA) and the Maryland Clean Energy Center (MCEC) to study and make recommendations on expanding and providing additional funding for the Maryland Net Zero Energy School Initiative Grant Program. **The bill takes effect July 1, 2021.**

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Fiscal Summary

**State Effect:** IAC and MEA can carry out the bill’s requirements with existing budgeted resources. No effect on revenues.

**Local Effect:** Expenditures may increase for some local school systems to develop and regularly update an energy policy in accordance with the bill’s requirements, as discussed below, which for most systems can likely be handled with existing resources. No effect on revenues.

**Small Business Effect:** Minimal.

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Analysis

**Bill Summary:** A school district energy policy must:

- address the purchasing, conservation, and efficiency of energy for the school system;

- provide for the monitoring and reporting of the amount and percentage of the school system's use of electricity from renewable sources; and
- include current and historical data on the school system's energy use by square foot.

Each local school system is encouraged to set targets to increase its use of renewable energy and reduce its greenhouse gas emissions. The policy must be posted on the school system's website and be updated every three years.

By January 1, 2022, IAC must coordinate with MEA and the Maryland Department of the Environment to develop a standardized reporting template that school systems can use to report their energy use.

IAC, MEA, and MCEC must report their findings and recommendations regarding the Maryland Net Zero School Initiative Grant Program to the Governor and the General Assembly by December 1, 2021.

**Current Law:** As enacted by Chapter 14 of 2018 (the 21st Century School Facilities Act), IAC manages State review and approval of local school construction projects.

MEA's mission is to promote affordable, reliable, and cleaner energy for Marylanders. It administers grant and loan programs to encourage clean energy technologies in all sectors of Maryland's economy.

The 2012 merger of Constellation Energy and Exelon Corporation yielded, as a condition of the merger, a \$9 million contribution to MEA's Customer Investment Fund to provide resources for long-term energy efficiency and conservation goals. The funds were used to establish the Maryland Net Zero Energy School Initiative Grant Program, which made grants to design and construct three net-zero energy schools in the State. Wilde Lake Middle School in Howard County has been completed and occupied, and two schools in Baltimore City, Graceland Park/O'Donnell Heights Middle/High School and Holabird Elementary School, opened this year as net-zero schools. No additional funds have been available for the grant program since the initial grants were made.

**Local Expenditures:** Some local school systems have already developed energy policies similar to those required by the bill, and they indicate that they can comply with the bill with existing resources. Several local school systems have not developed energy policies and may not have staff available to do so. For instance, Anne Arundel County Public Schools advises that it must hire an energy analyst at an annual cost of approximately \$103,000, and St. Mary's County Public Schools also advises that it requires an energy coordinator and other related costs, totaling approximately \$141,000 annually.

## **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Maryland State Department of Education; Interagency Commission on School Construction; Maryland Department of the Environment; Maryland Energy Administration; Baltimore City Public Schools; Baltimore County Public Schools; Anne Arundel County Public Schools; St. Mary's County Public Schools; Department of Legislative Services

**Fiscal Note History:** First Reader - February 15, 2021  
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