

# HOUSE BILL 31

M5, C5

(PRE-FILED)

2lr0806  
CF 2lr1677

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By: **Delegate Charkoudian**

Requested: October 18, 2021

Introduced and read first time: January 12, 2022

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Energy Administration – Resiliency Hub Grant Program and Fund**

3 FOR the purpose of establishing the Resiliency Hub Grant Program in the Maryland  
4 Energy Administration; requiring the Administration to establish certain procedures  
5 and criteria for the Program; establishing the Resiliency Hub Grant Program Fund  
6 as a special, nonlapsing fund; requiring interest earnings of the Resiliency Hub  
7 Grant Program Fund to be credited to the Resiliency Hub Grant Program Fund;  
8 requiring that certain fines and penalties be credited to the Resiliency Hub Grant  
9 Program Fund rather than the General Fund of the State; requiring the  
10 Administration to provide certain Maryland Strategic Energy Investment Fund  
11 funding to the Resiliency Hub Grant Program Fund; and generally relating to the  
12 Resiliency Hub Grant Program and Fund.

13 BY repealing and reenacting, without amendments,  
14 Article – Public Utilities  
15 Section 2–110.1(a) and (b) and 7–306.2(a)(1) and (3)  
16 Annotated Code of Maryland  
17 (2020 Replacement Volume and 2021 Supplement)

18 BY repealing and reenacting, with amendments,  
19 Article – Public Utilities  
20 Section 2–110.1(c) and 13–201  
21 Annotated Code of Maryland  
22 (2020 Replacement Volume and 2021 Supplement)

23 BY repealing and reenacting, without amendments,  
24 Article – State Finance and Procurement  
25 Section 6–226(a)(2)(i)  
26 Annotated Code of Maryland  
27 (2021 Replacement Volume)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,  
2 Article – State Finance and Procurement  
3 Section 6–226(a)(2)(ii)144. and 145.  
4 Annotated Code of Maryland  
5 (2021 Replacement Volume)

6 BY adding to  
7 Article – State Finance and Procurement  
8 Section 6–226(a)(2)(ii)146.  
9 Annotated Code of Maryland  
10 (2021 Replacement Volume)

11 BY adding to  
12 Article – State Government  
13 Section 9–2010, 9–2011, and 9–20B–05(f)(11)  
14 Annotated Code of Maryland  
15 (2021 Replacement Volume)

16 BY repealing and reenacting, with amendments,  
17 Article – State Government  
18 Section 9–20B–05(f)(10) and (11)  
19 Annotated Code of Maryland  
20 (2021 Replacement Volume)

21 BY repealing and reenacting, without amendments,  
22 Article – State Government  
23 Section 9–20B–05(i)  
24 Annotated Code of Maryland  
25 (2021 Replacement Volume)

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

28 **Article – Public Utilities**

29 2–110.1.

30 (a) There is a Public Utility Regulation Fund.

31 (b) The Fund consists of:

32 (1) all revenue received through the imposition and collection of  
33 assessments under § 2–110 of this subtitle;

34 (2) fees received by the Commission under § 2–123 of this subtitle for  
35 filings and for other services rendered by the Commission;

1 (3) income from investments that the State Treasurer makes for the Fund;  
2 and

3 (4) any other fee, examination assessment, or revenue received by the  
4 Commission under this division.

5 (c) Notwithstanding subsection (b) of this section, the Commission shall pay all  
6 fines and penalties collected by the Commission under this article into the [General Fund  
7 of the State] **RESILIENCY HUB GRANT PROGRAM FUND ESTABLISHED UNDER §**  
8 **9–2011 OF THE STATE GOVERNMENT ARTICLE.**

9 7–306.2.

10 (a) (1) In this section the following words have the meanings indicated.

11 (3) “Community solar energy generating system” means a solar energy  
12 system that:

13 (i) is connected to the electric distribution grid serving the State;

14 (ii) is located in the same electric service territory as its subscribers;

15 (iii) is attached to the electric meter of a subscriber or is a separate  
16 facility with its own electric meter;

17 (iv) credits its generated electricity, or the value of its generated  
18 electricity, to the bills of the subscribers to that system through virtual net energy  
19 metering;

20 (v) has at least two subscribers but no limit to the maximum number  
21 of subscribers;

22 (vi) does not have subscriptions larger than 200 kilowatts  
23 constituting more than 60% of its subscriptions;

24 (vii) has a generating capacity that does not exceed 2 megawatts as  
25 measured by the alternating current rating of the system’s inverter; and

26 (viii) may be owned by any person.

27 13–201.

28 (a) This section does not apply to a violation of the following provisions of this  
29 article:

30 (1) Title 5, Subtitle 4;

1 (2) Title 7, Subtitle 1;

2 (3) § 7–213 as it applies to electric cooperatives;

3 (4) Title 8, Subtitles 1 and 3;

4 (5) Title 9, Subtitle 3; and

5 (6) Title 8, Subtitle 4.

6 (b) (1) Except as provided in paragraph (2) of this subsection, the Commission  
7 may impose a civil penalty not exceeding \$25,000 against a person who violates a provision  
8 of this division, or an effective and outstanding direction, ruling, order, rule, or regulation  
9 of the Commission.

10 (2) The civil penalty that the Commission may impose on a common carrier  
11 for each violation may not exceed \$2,500.

12 (c) (1) A civil penalty may be imposed in addition to any other penalty  
13 authorized by this division.

14 (2) Each violation is a separate offense.

15 (3) Each day or part of a day the violation continues is a separate offense.

16 (d) The Commission shall determine the amount of any civil penalty after  
17 considering:

18 (1) the number of previous violations of any provision of this article;

19 (2) the gravity of the current violation;

20 (3) the good faith efforts of the violator in attempting to achieve compliance  
21 after notification of the violation; and

22 (4) any other matter that the Commission considers appropriate and  
23 relevant.

24 (e) (1) Except as provided in paragraphs (2) and (3) of this subsection, a civil  
25 penalty collected under this section shall be paid into the [General Fund of the State]  
26 **RESILIENCY HUB GRANT PROGRAM FUND ESTABLISHED UNDER § 9–2011 OF THE**  
27 **STATE GOVERNMENT ARTICLE.**

28 (2) A civil penalty assessed for a violation of a service quality and reliability  
29 standard under § 7–213 of this article shall be paid into the Electric Reliability Remediation  
30 Fund under § 7–213(j) of this article.

1 (3) A civil penalty assessed for a violation of § 7–505(b)(7), § 7–507, §  
2 7–603, § 7–604, or § 7–606 of this article, or a rule, an order, or a regulation adopted under  
3 any of those sections, shall be paid into the Retail Choice Customer Education and  
4 Protection Fund under § 7–310 of this article.

## 5 Article – State Finance and Procurement

6 6–226.

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

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

15 144. the Health Equity Resource Community Reserve Fund;

16 [and]

17 145. the Access to Counsel in Evictions Special Fund; AND

18 **146. THE RESILIENCY HUB GRANT PROGRAM FUND.**

## 19 Article – State Government

20 9–2010.

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

23 (2) “EXTENDED GRID OUTAGE” MEANS A PLANNED OR UNPLANNED  
24 GRID OUTAGE LASTING MORE THAN 4 HOURS.

25 (3) “LOW-INCOME” MEANS A HOUSEHOLD WITH AN ANNUAL  
26 ADJUSTED GROSS INCOME AT OR BELOW 175% OF THE FEDERAL POVERTY LEVEL.

27 (4) “MICROGRID” MEANS TECHNOLOGY THAT:

28 (I) COMBINES CLEAN, DISTRIBUTED POWER GENERATION  
29 WITH ADVANCED CONTROL EQUIPMENT; AND

1 (II) ENABLES PORTIONS OF THE ELECTRIC GRID TO REMAIN  
2 ONLINE WHEN THE WIDER GRID IS DOWN.

3 (5) "MODERATE-INCOME" MEANS A HOUSEHOLD WITH AN ANNUAL  
4 ADJUSTED GROSS INCOME AT OR BELOW 80% OF THE LOCAL MEDIAN INCOME, AS  
5 DETERMINED BY THE LATEST MARYLAND DEPARTMENT OF HOUSING AND  
6 COMMUNITY DEVELOPMENT "INCOME LIMITS" DOCUMENT.

7 (6) "PROGRAM" MEANS THE RESILIENCY HUB GRANT PROGRAM.

8 (7) "RESILIENCY HUB" MEANS A LOCATION WHERE SOLAR  
9 PHOTOVOLTAIC AND BATTERY ENERGY STORAGE ARE DESIGNED TO PROVIDE  
10 ELECTRICITY TO MEET COMMUNITY NEEDS DURING EXTENDED GRID OUTAGES,  
11 INCLUDING PROVIDING:

12 (I) EMERGENCY HEATING AND COOLING;

13 (II) REFRIGERATION OF TEMPERATURE-SENSITIVE  
14 MEDICATIONS;

15 (III) OUTLETS OR OTHER PLUG POWER OPTIONS FOR CHARGING  
16 CELL PHONE AND COMPUTER BATTERIES; AND

17 (IV) VENTILATION AND EMERGENCY LIGHTING.

18 (B) THERE IS A RESILIENCY HUB GRANT PROGRAM IN THE  
19 ADMINISTRATION.

20 (C) THE PURPOSE OF THE PROGRAM IS TO DEVELOP RESILIENCY HUBS  
21 THAT SERVE LOW-INCOME AND MODERATE-INCOME HOUSEHOLDS AT NO COST TO  
22 THE HOUSEHOLDS.

23 (D) (1) BY REGULATION, THE ADMINISTRATION SHALL SET THE TERMS  
24 AND CONDITIONS FOR THE ISSUANCE OF GRANTS UNDER THE PROGRAM  
25 CONSISTENT WITH THIS SUBTITLE.

26 (2) THE REGULATIONS SHALL INCLUDE:

27 (I) A COMPETITIVE APPLICATION PROCESS FOR THE  
28 PROGRAM; AND

1                   **(II) CRITERIA AND PROCEDURES FOR AWARDING GRANTS TO**  
2 **ELIGIBLE RECIPIENTS THAT GIVE PRIORITY TO AWARDING GRANTS TO PROJECTS**  
3 **FOR MICROGRIDS THAT:**

4                   **1. USE A COMMUNITY SOLAR ENERGY GENERATING**  
5 **SYSTEM, AS DEFINED IN § 7-306.2 OF THE PUBLIC UTILITIES ARTICLE; AND**

6                   **2. PROVIDE MORE THAN 30% OF THE SYSTEM'S**  
7 **KILOWATT OUTPUT TO LOW-INCOME AND MODERATE-INCOME SUBSCRIBERS.**

8           **(E) THE FOLLOWING PERSONS ARE ELIGIBLE FOR A GRANT UNDER THE**  
9 **PROGRAM:**

10                   **(1) BUSINESSES;**

11                   **(2) NONPROFIT ENTITIES;**

12                   **(3) UNITS OF STATE GOVERNMENT; AND**

13                   **(4) LOCAL GOVERNMENTS.**

14           **(F) A PROJECT IS ELIGIBLE FOR A GRANT UNDER THE PROGRAM IF THE**  
15 **PROJECT:**

16                   **(1) PROPOSES TO DEVELOP A RESILIENCY HUB;**

17                   **(2) WILL OPERATE THE RESILIENCY HUB FOR A PERIOD OF AT LEAST**  
18 **10 YEARS; AND**

19                   **(3) WILL SERVE A COMMUNITY OF MAJORITY LOW-INCOME OR**  
20 **MODERATE-INCOME HOUSEHOLDS.**

21           **(G) THE ADMINISTRATION SHALL:**

22                   **(1) COORDINATE ADMINISTRATION OF THE PROGRAM WITH THE**  
23 **MARYLAND DEPARTMENT OF EMERGENCY MANAGEMENT; AND**

24                   **(2) PROVIDE TO GRANT APPLICANTS INFORMATION ON OTHER**  
25 **SOURCES OF ASSISTANCE THAT MAY BENEFIT THE PROJECT, INCLUDING LOANS AND**  
26 **GRANTS AWARDED UNDER § 9-20B-05(I)(3) OF THIS TITLE.**

27           **(H) A PERSON WHO RECEIVES A GRANT UNDER THE PROGRAM SHALL:**

1           **(1) ATTEST IN WRITING THAT ALL CONTRACTORS AND**  
2 **SUBCONTRACTORS WORKING ON THE PROJECT:**

3                   **(I) PAY AT LEAST 150% OF THE STATE MINIMUM WAGE;**

4                   **(II) PROVIDE CAREER ADVANCEMENT TRAINING;**

5                   **(III) AFFORD EMPLOYEES THE RIGHT TO BARGAIN**  
6 **COLLECTIVELY FOR WAGES AND BENEFITS;**

7                   **(IV) PROVIDE PAID LEAVE;**

8                   **(V) ARE CONSIDERED “COVERED EMPLOYMENT” FOR**  
9 **PURPOSES OF UNEMPLOYMENT INSURANCE BENEFITS IN ACCORDANCE WITH TITLE**  
10 **8 OF THE LABOR AND EMPLOYMENT ARTICLE;**

11                   **(VI) ENTITLE THE EMPLOYEES TO WORKERS’ COMPENSATION**  
12 **BENEFITS IN ACCORDANCE WITH TITLE 9 OF THE LABOR AND EMPLOYMENT**  
13 **ARTICLE;**

14                   **(VII) HAVE BEEN IN COMPLIANCE WITH FEDERAL AND STATE**  
15 **WAGE AND HOUR LAWS FOR THE LONGER OF THE IMMEDIATELY PRECEDING 3 YEARS**  
16 **OR FOR THE DURATION OF THE CONTRACTOR’S OR SUBCONTRACTOR’S BUSINESS**  
17 **OPERATION;**

18                   **(VIII) OFFER EMPLOYER–PROVIDED HEALTH INSURANCE**  
19 **BENEFITS WITH MONTHLY PREMIUMS THAT DO NOT EXCEED 8.5% OF THE**  
20 **EMPLOYEE’S NET MONTHLY EARNINGS; AND**

21                   **(IX) OFFER RETIREMENT BENEFITS; AND**

22           **(2) PROVIDE TO THE ADMINISTRATION A PROGRESS REPORT ON OR**  
23 **BEFORE JANUARY 10, APRIL 10, JULY 10, AND OCTOBER 10 EACH YEAR.**

24 **9–2011.**

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

27                   **(2) “FUND” MEANS THE RESILIENCY HUB GRANT PROGRAM FUND.**

28                   **(3) “PROGRAM” MEANS THE RESILIENCY HUB GRANT PROGRAM**  
29 **ESTABLISHED UNDER § 9–2010 OF THIS SUBTITLE.**



1           **(B) THERE IS A RESILIENCY HUB GRANT PROGRAM FUND.**

2           **(C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS UNDER THE**  
3 **PROGRAM.**

4           **(D) THE ADMINISTRATION SHALL ADMINISTER THE FUND.**

5           **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
6 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

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

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

10                   **(1) GRANT FUNDING OBTAINED UNDER SUBSECTION (K) OF THIS**  
11 **SECTION;**

12                   **(2) FUNDS DISTRIBUTED TO THE FUND UNDER § 9-20B-05 OF THIS**  
13 **TITLE AND §§ 2-110.1 AND 13-201 OF THE PUBLIC UTILITIES ARTICLE;**

14                   **(3) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

15                   **(4) INTEREST EARNINGS; AND**

16                   **(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**  
17 **THE BENEFIT OF THE FUND.**

18           **(G) THE FUND MAY BE USED ONLY FOR:**

19                   **(1) GRANTS AWARDED UNDER THE PROGRAM; AND**

20                   **(2) COSTS ASSOCIATED WITH ADMINISTERING THE PROGRAM AND**  
21 **THE FUND.**

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.**

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

3           **(J) MONEY EXPENDED FROM THE FUND FOR THE PROGRAM IS**  
 4 **SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT**  
 5 **OTHERWISE WOULD BE APPROPRIATED FOR THE PROGRAM.**

6           **(K) THE ADMINISTRATION AND THE MARYLAND DEPARTMENT OF**  
 7 **EMERGENCY MANAGEMENT, IN COORDINATION WITH ANY OTHER APPROPRIATE**  
 8 **UNIT OF STATE GOVERNMENT, SHALL IDENTIFY AND APPLY FOR GRANT FUNDING,**  
 9 **INCLUDING FEDERAL GRANT FUNDING, TO SUPPORT THE PROGRAM.**

10 9–20B–05.

11           (f) The Administration shall use the Fund:

12                   (10) subject to subsections (f–2) and (f–3) of this section, to invest in  
 13 pre–apprenticeship, youth apprenticeship, and registered apprenticeship programs to  
 14 establish career paths in the clean energy industry under § 11–708.1 of the Labor and  
 15 Employment Article, as follows:

16                           (i) \$1,250,000 for grants to pre–apprenticeship jobs training  
 17 programs under § 11–708.1(c)(3) of the Labor and Employment Article starting in fiscal  
 18 year 2021 until all amounts are spent;

19                           (ii) \$6,000,000 for grants to youth apprenticeship jobs training  
 20 programs and registered apprenticeship jobs training programs under § 11–708.1(c)(5) of  
 21 the Labor and Employment Article starting in fiscal year 2021 until all amounts are spent;  
 22 and

23                           (iii) \$750,000 for the recruitment of individuals, including veterans  
 24 and formerly incarcerated individuals, to the pre–apprenticeship jobs training programs  
 25 and the registered apprenticeship jobs training programs under § 11–708.1 of the Labor  
 26 and Employment Article starting in fiscal year 2021 until all amounts are spent; [and]

27                   **(11) TO PROVIDE \$500,000 EACH YEAR TO THE RESILIENCY HUB**  
 28 **GRANT PROGRAM FUND UNDER § 9–2011 OF THIS TITLE; AND**

29                   [[11]] **(12)** to pay the expenses of the Program.

30                   (i) (1) In this subsection, “low–income” means having an annual household  
 31 income that is at or below 175% of the federal poverty level.

32                   (2) Except as provided in paragraph (3) of this subsection, compliance fees  
 33 paid under § 7–705(b) of the Public Utilities Article may be used only to make loans and

1 grants to support the creation of new Tier 1 renewable energy sources in the State that are  
2 owned by or directly benefit low-income residents of the State.

3 (3) Compliance fees paid under § 7-705(b)(2)(i)2 of the Public Utilities  
4 Article shall be accounted for separately within the Fund and may be used only to make  
5 loans and grants to support the creation of new solar energy sources in the State that are  
6 owned by or directly benefit low-income residents of the State.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 October 1, 2022.