

# SENATE BILL 480

M5, P2

5lr3056  
CF 5lr1216

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By: **Senators Gallion and Hester**

Introduced and read first time: January 22, 2025

Assigned to: Education, Energy, and the Environment and Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Department of General Services – Clean Energy Procurement Program –**  
3 **Establishment**

4 FOR the purpose of requiring the Department of General Services, in consultation with the  
5 Maryland Green Purchasing Committee, the University System of Maryland, and  
6 the Maryland Clean Energy Center, to establish a Clean Energy Procurement  
7 Program in the Department on or before a certain date; requiring the Department,  
8 in consultation with the Maryland Green Purchasing Committee, the University  
9 System of Maryland, and the Maryland Clean Energy Center, to issue a certain  
10 solicitation for a biogas contract; authorizing the Department to enter into a contract  
11 to procure biogas; requiring the Department to collect certain data and analyze  
12 certain environmental and economic costs and benefits; requiring the University  
13 System of Maryland to complete a certain lifecycle analysis; requiring the Power  
14 Plant Research Program to reimburse the University System of Maryland for costs  
15 incurred to complete the lifecycle analysis; and generally relating to the Clean  
16 Energy Procurement Program.

17 BY repealing and reenacting, without amendments,  
18 Article – Public Utilities  
19 Section 7–704.4(a)(1) and (3)  
20 Annotated Code of Maryland  
21 (2020 Replacement Volume and 2024 Supplement)

22 BY adding to  
23 Article – State Finance and Procurement  
24 Section 4–325 and 4–326 to be under the new part “Part IV. State Purchase of  
25 Energy”  
26 Annotated Code of Maryland  
27 (2021 Replacement Volume and 2024 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Public Utilities**

4 7–704.4.

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

6 (3) “Social cost of greenhouse gases” means the most recent social cost of  
7 greenhouse gases adopted by the U.S. Environmental Protection Agency.

8 **Article – State Finance and Procurement**

9 **4–323. RESERVED.**

10 **4–324. RESERVED.**

11 **PART IV. STATE PURCHASE OF ENERGY.**

12 **4–325.**

13 **(A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS**  
14 **INDICATED.**

15 **(B) “COMMITTEE” MEANS THE MARYLAND GREEN PURCHASING**  
16 **COMMITTEE ESTABLISHED UNDER § 14–410 OF THIS ARTICLE.**

17 **(C) “PROGRAM” MEANS THE CLEAN ENERGY PROCUREMENT PROGRAM.**

18 **(D) “SOCIAL COST OF GREENHOUSE GASES” HAS THE MEANING STATED IN §**  
19 **7–704.4 OF THE PUBLIC UTILITIES ARTICLE.**

20 **4–326.**

21 **(A) ON OR BEFORE JANUARY 1, 2026, THE DEPARTMENT, IN**  
22 **CONSULTATION WITH THE COMMITTEE, THE UNIVERSITY SYSTEM OF MARYLAND,**  
23 **AND THE MARYLAND CLEAN ENERGY CENTER, SHALL ESTABLISH A CLEAN ENERGY**  
24 **PROCUREMENT PROGRAM IN THE DEPARTMENT.**

25 **(B) THE PURPOSE OF THE PROGRAM IS TO PROCURE BIOGAS FOR USE AS A**  
26 **FUEL IN THE STATE’S TRANSPORTATION AND BUILDING SECTORS TO EVALUATE THE**  
27 **ENVIRONMENTAL AND ECONOMIC BENEFITS AND COSTS OF REPLACING FOSSIL**  
28 **NATURAL GAS WITH BIOGAS, ON A SHORT-TERM AND LONG-TERM BASIS, IN**

1 FURTHERANCE OF THE STATE'S NET-ZERO STATEWIDE GREENHOUSE GAS  
2 EMISSIONS REDUCTION GOALS.

3 (C) (1) UNDER THE PROGRAM, THE DEPARTMENT, IN CONSULTATION  
4 WITH THE COMMITTEE, THE UNIVERSITY SYSTEM OF MARYLAND, AND THE  
5 MARYLAND CLEAN ENERGY CENTER:

6 (I) SHALL ISSUE A COMPETITIVE SEALED PROCUREMENT  
7 SOLICITATION FOR BIOGAS; AND

8 (II) MAY ENTER INTO AT LEAST ONE CONTRACT TO PROCURE  
9 BIOGAS.

10 (2) WHEN ISSUING THE INVITATION FOR BIDS UNDER THIS  
11 SUBSECTION, THE DEPARTMENT SHALL TAKE INTO CONSIDERATION:

12 (I) THE COST-EFFECTIVENESS OF THE ADOPTION OF BIOGAS;

13 (II) THE SOCIAL COST OF GREENHOUSE GASES; AND

14 (III) THE STATE'S CLIMATE COMMITMENTS UNDER § 2-1204.2  
15 OF THE ENVIRONMENT ARTICLE.

16 (3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS  
17 PARAGRAPH, BIOGAS PROCURED THROUGH A CONTRACT UNDER PARAGRAPH (1) OF  
18 THIS SUBSECTION SHALL BE GENERATED IN THE STATE.

19 (II) IF SUFFICIENT BIOGAS GENERATED IN THE STATE IS NOT  
20 REASONABLY AVAILABLE FOR THE PROGRAM, THE STATE MAY PROCURE BIOGAS  
21 FROM SOURCES OUTSIDE THE STATE.

22 (D) (1) THE DEPARTMENT SHALL:

23 (I) COLLECT DATA ON THE AVERAGE CONSUMPTION OF  
24 NATURAL GAS IN THE STATE AND PROVIDE THE DATA TO THE UNIVERSITY SYSTEM  
25 OF MARYLAND TO DETERMINE WHETHER BIOGAS MAY SUPPORT THE STATE'S  
26 CLIMATE COMMITMENTS UNDER § 2-1204.2 OF THE ENVIRONMENT ARTICLE; AND

27 (II) ANALYZE THE ENVIRONMENTAL AND ECONOMIC COSTS AND  
28 BENEFITS OF EXPANDING THE USE OF BIOGAS IN THE TRANSPORTATION AND  
29 BUILDING SECTORS IN THE STATE.

1           **(2) (I) THE UNIVERSITY SYSTEM OF MARYLAND SHALL**  
2 **COMPLETE A CARBON LIFECYCLE ANALYSIS OF BIOGAS AND PROVIDE THE RESULTS**  
3 **TO THE DEPARTMENT AND THE COMMITTEE.**

4           **(II) THE POWER PLANT RESEARCH PROGRAM ESTABLISHED**  
5 **UNDER TITLE 3, SUBTITLE 3 OF THE NATURAL RESOURCES ARTICLE SHALL**  
6 **REIMBURSE THE UNIVERSITY SYSTEM OF MARYLAND FOR COSTS INCURRED TO**  
7 **COMPLETE THE CARBON LIFECYCLE ANALYSIS REQUIRED UNDER SUBPARAGRAPH**  
8 **(I) OF THIS PARAGRAPH.**

9           **(E) THE REQUIREMENTS OF THIS SECTION APPLY ONLY IF:**

10           **(1) BIOGAS IS COMPETITIVELY PRICED;**

11           **(2) THE QUALITY OF THE BIOGAS IS SATISFACTORY FOR THE**  
12 **INTENDED PURPOSE; AND**

13           **(3) BIOGAS IS READILY AVAILABLE.**

14           **(F) THE PROGRAM SHALL TERMINATE ON DECEMBER 31, 2028.**

15           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 October 1, 2025. It shall remain effective for a period of 3 years and 9 months and, at the  
17 end of June 30, 2029, this Act, with no further action required by the General Assembly,  
18 shall be abrogated and of no further force and effect.