



Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Mary Beth Tung, Director

TO: Members, House Ways & Means Committee
FROM: Mary Beth Tung – Director, MEA
SUBJECT: HB0778 – Income Tax – Healthy Indoor Air Quality Tax Credit
DATE: February 18, 2021

MEA POSITION: Letter of Information

While the Maryland Energy Administration (“MEA”) applauds the laudable goals of this bill, MEA will incur administrative burdens as a result. These burdens may not be unworkable, but they would *require* additional staff. MEA also notes that it currently serves no regulatory function associated with air quality, indoor or out.

MEA currently administers an energy storage tax credit, and has administered other similar programs in the past. These programs have been quite popular, and MEA would anticipate a large number of applications each year. Additionally, the Healthy Indoor Air Quality Tax Credit would be a permanent program administered within MEA.

For these reasons, MEA has estimated that program administration would require at least one Energy Specialist (FKA a Grants Administrator) to adopt the workload associated with HB 778. It may be necessary that MEA employ a full time Program Manager having more substantial experience with, and more intimate knowledge of, the various certifications that would be appropriate in determining eligibility for the proposed tax credit. This expertise would come at a marginally greater expense in comparison to an Energy Specialist.

Lastly, MEA has reservations in administering an air quality program. Though, as stated, MEA has successfully operated tax credit programs, those programs have always maintained a close nexus to the existing functions of MEA.

MEA encourages the Committee to consider this information when rendering its report on House Bill 778.