

HOUSE BILL 1106

C5, M3, C8

6lr2003
CF SB 921

By: Delegates Frick, Davis, B. Barnes, Barkley, Barron, Barve, Brooks, Clippinger, Cullison, Dumais, Ebersole, Fraser-Hidalgo, Gilchrist, Gutierrez, Healey, Hill, Hixson, Jalisi, Kaiser, Kelly, Korman, Kramer, Lam, Lierman, Luedtke, A. Miller, Moon, Morhaim, Pena-Melnyk, Platt, Reznik, S. Robinson, Smith, Tarlau, Turner, Valderrama, Valentino-Smith, Vaughn, Waldstreicher, and A. Washington

Introduced and read first time: February 11, 2016

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Clean Energy Jobs – Renewable Energy Portfolio Standard Revisions**

3 FOR the purpose of establishing the Clean Energy Workforce Account in the Maryland
4 Employment Advancement Right Now Program; providing for the funding of the
5 Account; specifying the purpose for which the Account may be used; specifying the
6 priority for grants awarded from the Account; requiring the Department of Labor,
7 Licensing, and Regulation to include certain information about the Account in a
8 certain annual report; altering the renewable energy portfolio standard percentage
9 derived from solar energy for certain years; altering the renewable energy portfolio
10 standard percentage derived from Tier 1 renewable sources for certain years;
11 altering the minimum required percentage of Tier 1 renewable energy that must be
12 derived from solar energy in the State's renewable energy portfolio standard in
13 certain years; altering the minimum required percentage of energy that must be
14 derived from Tier 1 renewable sources in the State's renewable energy portfolio
15 standard in certain years; altering the compliance fee for an electricity supplier that
16 fails to comply with certain renewable energy portfolio standards for certain years;
17 establishing certain compliance fees for an electricity supplier that fails to comply
18 with certain renewable energy portfolio standards for certain years; altering the
19 percentage of total annual electricity sales revenues based on which an electricity
20 supplier may request a delay of certain solar energy requirements in the renewable
21 energy portfolio standard; establishing the Clean Energy Business Development
22 Account in the Small, Minority, and Women-Owned Businesses Account; providing
23 for the funding in the Clean Energy Account; specifying the purpose for which the
24 Clean Energy Account may be used; prohibiting funding from the Clean Energy
25 Account from being limited to certain businesses; requiring the Maryland Energy
26 Administration to use the Maryland Strategic Energy Investment Fund in a certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 manner; requiring proceeds from a certain Public Service Commission order to be
2 allocated in a certain manner; stating certain findings of the General Assembly;
3 defining certain terms; providing for the application of this Act; making the
4 provisions of this Act severable; and generally relating to clean energy jobs and the
5 renewable energy portfolio standard.

6 BY adding to

7 Article – Labor and Employment

8 Section 11–708.1

9 Annotated Code of Maryland

10 (2008 Replacement Volume and 2015 Supplement)

11 BY repealing and reenacting, with amendments,

12 Article – Labor and Employment

13 Section 11–709

14 Annotated Code of Maryland

15 (2008 Replacement Volume and 2015 Supplement)

16 BY repealing and reenacting, with amendments,

17 Article – Public Utilities

18 Section 7–702, 7–703(b)(12), (13), (14), (15), (16), and (17), and 7–705(b) and (e)

19 Annotated Code of Maryland

20 (2010 Replacement Volume and 2015 Supplement)

21 BY repealing and reenacting, with amendments,

22 Article – State Government

23 Section 9–1A–35, 9–20B–01, and 9–20B–05(f) and (i) through (l)

24 Annotated Code of Maryland

25 (2014 Replacement Volume and 2015 Supplement)

26 BY adding to

27 Article – State Government

28 Section 9–20B–05(i)

29 Annotated Code of Maryland

30 (2014 Replacement Volume and 2015 Supplement)

31 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

32 That the Laws of Maryland read as follows:

33 **Article – Labor and Employment**

34 **11–708.1.**

35 **(A) THERE IS A CLEAN ENERGY WORKFORCE ACCOUNT.**

36 **(B) THE ACCOUNT SHALL BE FUNDED IN ACCORDANCE WITH § 9–20B–05(I)**
37 **OF THE STATE GOVERNMENT ARTICLE.**

1 **(3) SEEK TO BUILD LOCAL WORKFORCE CAPACITY THROUGH**
2 **COOPERATION WITH COMMUNITY COLLEGES OR OTHER LOCAL GOVERNMENT**
3 **ORGANIZATIONS.**

4 11-709.

5 (a) On or before December 31 of each year, the Department shall report to the
6 Governor and, in accordance with § 2-1246 of the State Government Article, to the Senate
7 Finance Committee and the House Economic Matters Committee on the Maryland EARN
8 Program.

9 (b) The report required under subsection (a) of this section shall include:

10 (1) an identification of training needs statewide, including industries in
11 urgent need of qualified workers;

12 (2) information on measures being used to track the success and
13 accountability of the Maryland EARN Program, including use of the StateStat
14 accountability process under § 3-1003(b) of the State Finance and Procurement Article;

15 (3) (i) a description of each strategic industry partnership receiving
16 grant funding and the status of the partnership; and

17 (ii) the jurisdiction of the State in which each strategic industry
18 partnership is located;

19 (4) the number of individuals:

20 (i) by sex, race, national origin, income, county of residence, and
21 educational attainment, participating in each component of the Maryland EARN Program;
22 and

23 (ii) participating in the Maryland EARN Program who, as a result of
24 the Program, have obtained:

25 1. a credential or an identifiable skill;

26 2. a new employment position;

27 3. a title promotion; or

28 4. a wage promotion; [and]

29 (5) an assessment of whether and to what extent the approved strategic
30 industry partnerships utilized existing data concerning:

31 (i) training needs in the State identified in previous studies; and

1 (ii) applicable skills needs identified in existing workforce studies,
2 plans, or research; AND

3 **(6) INFORMATION ON THE SUCCESS OF FUNDING STRATEGIC**
4 **INDUSTRY PARTNERSHIPS THAT ACHIEVE THE PRIORITIES UNDER § 11-708.1 OF**
5 **THIS SUBTITLE.**

6 **Article – Public Utilities**

7 7-702.

8 (a) It is the intent of the General Assembly to:

9 (1) recognize the economic, environmental, fuel diversity, and security
10 benefits of renewable energy resources;

11 (2) establish a market for electricity from these resources in Maryland; and

12 (3) lower the cost to consumers of electricity produced from these resources.

13 (b) The General Assembly finds that:

14 (1) the benefits of electricity from renewable energy resources, including
15 long-term decreased emissions, a healthier environment, increased energy security, and
16 decreased reliance on and vulnerability from imported energy sources, accrue to the public
17 at large; [and]

18 (2) electricity suppliers and consumers share an obligation to develop a
19 minimum level of these resources in the electricity supply portfolio of the State;

20 **(3) THE RENEWABLE ENERGY PORTFOLIO STANDARD IS AN**
21 **ESSENTIAL CARBON-REDUCING PROGRAM FOR THE STATE, AS IDENTIFIED IN THE**
22 **STATE’S GREENHOUSE GAS REDUCTION PLAN DEVELOPED UNDER § 2-1205 OF THE**
23 **ENVIRONMENT ARTICLE; AND**

24 **(4) ACHIEVING A RENEWABLE PORTFOLIO STANDARD OF 25% FROM**
25 **TIER 1 RENEWABLE SOURCES BY 2020 WOULD, IF CONTINUED AT THE SAME RATE**
26 **OF GROWTH, PUT THE STATE ON A TRAJECTORY TOWARDS CONSUMING AT LEAST**
27 **40% OF ITS ELECTRICITY FROM RENEWABLE ENERGY SOURCES BY 2025, KEEPING**
28 **THE STATE’S EFFORTS CONSISTENT WITH INTERNATIONAL EFFORTS TO REACH**
29 **CARBON REDUCTIONS IN ACCORDANCE WITH SCIENTIFIC DATA.**

30 7-703.

1 (b) The renewable energy portfolio standard shall be as follows:

2 (12) in 2017:

3 (i) 13.1% from Tier 1 renewable sources, including:

4 1. at least [0.95%] **1.15%** derived from solar energy; and

5 2. an amount set by the Commission under § 7-704.2(a) of
6 this subtitle, not to exceed 2.5%, derived from offshore wind energy; and

7 (ii) 2.5% from Tier 2 renewable sources;

8 (13) in 2018:

9 (i) 15.8% from Tier 1 renewable sources, including:

10 1. at least [1.4%] **1.5%** derived from solar energy; and

11 2. an amount set by the Commission under § 7-704.2(a) of
12 this subtitle, not to exceed 2.5%, derived from offshore wind energy; and

13 (ii) 2.5% from Tier 2 renewable sources;

14 (14) in 2019, [17.4%] **20.4%** from Tier 1 renewable sources, including:

15 (i) at least [1.75%] **1.95%** derived from solar energy; and

16 (ii) an amount set by the Commission under § 7-704.2(a) of this
17 subtitle, not to exceed 2.5%, derived from offshore wind energy; AND

18 (15) in 2020 AND LATER, [18%] **25%** from Tier 1 renewable sources,
19 including:

20 (i) at least [2.0%] **2.5%** derived from solar energy; and

21 (ii) an amount set by the Commission under § 7-704.2(a) of this
22 subtitle, not to exceed 2.5%, derived from offshore wind energy[];

23 (16) in 2021, 18.7% from Tier 1 renewable sources, including:

24 (i) at least 2.0% derived from solar energy; and

25 (ii) an amount set by the Commission under § 7-704.2(a) of this
26 subtitle, not to exceed 2.5%, derived from offshore wind energy; and

1 (17) in 2022 and later, 20% from Tier 1 renewable sources, including:

2 (i) at least 2% derived from solar energy; and

3 (ii) an amount set by the Commission under § 7-704.2(a) of this
4 subtitle, not to exceed 2.5%, derived from offshore wind energy].

5 7-705.

6 (b) (1) This subsection does not apply to a shortfall from the required Tier 1
7 renewable sources that is to be derived from offshore wind energy.

8 (2) If an electricity supplier fails to comply with the renewable energy
9 portfolio standard for the applicable year, the electricity supplier shall pay into the
10 Maryland Strategic Energy Investment Fund established under § 9-20B-05 of the State
11 Government Article:

12 (i) except as provided in item (ii) of this paragraph, a compliance fee
13 of:

14 1. [4 cents] **THE FOLLOWING AMOUNTS** for each
15 kilowatt-hour of shortfall from required Tier 1 renewable sources other than the shortfall
16 from the required Tier 1 renewable sources that is to be derived from solar energy:

17 **A. 4 CENTS THROUGH 2016; AND**

18 **B. 3.75 CENTS IN 2017 AND LATER;**

19 2. the following amounts for each kilowatt-hour of shortfall
20 from required Tier 1 renewable sources that is to be derived from solar energy:

21 A. 45 cents in 2008;

22 B. 40 cents in 2009 through 2014;

23 C. 35 cents in 2015 and 2016;

24 D. [20] **19.5 cents in 2017 [and 2018];**

25 E. [15 cents in 2019 and 2020] **17.5 CENTS IN 2018;**

26 F. [10 cents in 2021 and 2022] **15 CENTS IN 2019; [and]**

27 G. [5 cents in 2023 and later] **12.5 CENTS IN 2020; [and]**

28 **H. 10 CENTS IN 2021;**

1 **I. 7.5 CENTS IN 2022;**

2 **J. 6 CENTS IN 2023;**

3 **K. 5 CENTS IN 2024 AND LATER; AND**

4 3. 1.5 cents for each kilowatt–hour of shortfall from required
5 Tier 2 renewable sources; or

6 (ii) for industrial process load:

7 1. for each kilowatt–hour of shortfall from required Tier 1
8 renewable sources, a compliance fee of:

9 A. 0.8 cents in 2006, 2007, and 2008;

10 B. 0.5 cents in 2009 and 2010;

11 C. 0.4 cents in 2011 and 2012;

12 D. 0.3 cents in 2013 and 2014;

13 E. 0.25 cents in 2015 and 2016; and

14 F. except as provided in paragraph (3) of this subsection, 0.2
15 cents in 2017 and later; and

16 2. nothing for any shortfall from required Tier 2 renewable
17 sources.

18 (3) For industrial process load, the compliance fee for each kilowatt–hour
19 of shortfall from required Tier 1 renewable sources is:

20 (i) 0.1 cents in any year during which suppliers are required to
21 purchase ORECs under § 7–704.2 of this subtitle; and

22 (ii) nothing for the year following any year during which, after final
23 calculations, the net rate impact per megawatt–hour from qualified offshore wind projects
24 exceeded \$1.65 in 2012 dollars.

25 (e) (1) Notwithstanding the requirements of § 7–703(b) of this subtitle, if the
26 actual or projected dollar–for–dollar cost incurred or to be incurred by an electricity
27 supplier solely for the purchase of Tier 1 renewable energy credits derived from solar energy
28 in any 1 year is greater than or equal to, or is anticipated to be greater than or equal to,

1 [1%] **2.5%** of the electricity supplier's total annual electricity sales revenues in Maryland,
2 the electricity supplier may request that the Commission:

3 (i) delay by 1 year each of the scheduled percentages for solar energy
4 under § 7-703(b) of this subtitle that would apply to the electricity supplier; and

5 (ii) allow the renewable energy portfolio standard for solar energy
6 for that year to continue to apply to the electricity supplier for the following year.

7 (2) In making its determination under paragraph (1) of this subsection, the
8 Commission shall consider the actual or projected dollar-for-dollar compliance costs of
9 other electricity suppliers.

10 (3) If an electricity supplier makes a request under paragraph (1) of this
11 subsection based on projected costs, the electricity supplier shall provide verifiable evidence
12 of the projections to the Commission at the time of the request.

13 (4) If the Commission allows a delay under paragraph (1) of this
14 subsection:

15 (i) the renewable energy portfolio standard for solar energy
16 applicable to the electricity supplier under the delay continues for each subsequent
17 consecutive year that the actual or projected dollar-for-dollar costs incurred, or to be
18 incurred, by the electricity supplier solely for the purchase of solar renewable energy credits
19 is greater than or equal to, or is anticipated to be greater than or equal to, [1%] **2.5%** of the
20 electricity supplier's total annual retail electricity sales revenues in Maryland; and

21 (ii) the renewable energy portfolio standard for solar energy
22 applicable to the electricity supplier under the delay is increased to the next scheduled
23 percentage increase under § 7-703(b) of this subtitle for each year in which the actual or
24 projected dollar-for-dollar costs incurred, or to be incurred, by the electricity supplier
25 solely for the purchase of solar renewable energy credits is less than, or is anticipated to be
26 less than, [1%] **2.5%** of the electricity supplier's total annual retail electricity sales
27 revenues in Maryland.

28 Article – State Government

29 9-1A-35.

30 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
31 INDICATED.

32 (2) “ACCOUNT” MEANS THE SMALL, MINORITY, AND
33 WOMEN-OWNED BUSINESSES ACCOUNT ESTABLISHED UNDER THIS SECTION.

1 **(3) “CLEAN ENERGY ACCOUNT” MEANS THE CLEAN ENERGY**
2 **BUSINESS DEVELOPMENT ACCOUNT ESTABLISHED UNDER SUBSECTION (E) OF THIS**
3 **SECTION.**

4 **(4) “CLEAN ENERGY INDUSTRY” HAS THE MEANING STATED IN §**
5 **9–20B–01 OF THIS TITLE.**

6 **(5) “ELIGIBLE FUND MANAGER” MEANS AN ENTITY THAT HAS**
7 **SIGNIFICANT FINANCIAL OR INVESTMENT EXPERIENCE UNDER CRITERIA THAT THE**
8 **BOARD OF PUBLIC WORKS DEVELOPS.**

9 **[(a)] (B)** There is a Small, Minority, and Women–Owned Businesses Account
10 under the authority of the Board of Public Works.

11 **[(b)] (C)** (1) The Account shall receive money:

12 **(I)** as required under § 9–1A–27 of this subtitle; **AND**

13 **(II) FROM THE CLEAN ENERGY ACCOUNT ESTABLISHED UNDER**
14 **SUBSECTION (E) OF THIS SECTION.**

15 (2) Money in the Account shall be invested and reinvested by the Treasurer
16 and interest and earnings shall accrue to the Account.

17 (3) The Comptroller shall:

18 (i) account for the Account; and

19 (ii) on a properly approved transmittal prepared by the Board of
20 Public Works, issue a warrant to pay out money from the Account in the manner provided
21 under this section.

22 (4) The Account is a special, nonlapsing fund that is not subject to § 7–302
23 of the State Finance and Procurement Article.

24 (5) Expenditures from the Account shall only be made on a properly
25 approved transmittal prepared by the Board of Public Works as provided under subsection
26 **[(c)] (D)** of this section.

27 **[(c)] (D)** (1) [In this subsection, “eligible fund manager” means an entity that
28 has significant financial or investment experience, under criteria developed by the Board
29 of Public Works.

1 (2) Subject to [the provisions of] paragraph [(3)] (2) of this subsection, the
2 Board of Public Works shall make grants to eligible fund managers to provide investment
3 capital and loans to small, minority, and women-owned businesses in the State.

4 [(3)] (2) The Board of Public Works shall ensure that eligible fund
5 managers allocate at least 50% of the funds from this Account to small, minority, and
6 women-owned businesses in the jurisdictions and communities surrounding a video lottery
7 facility.

8 **(E) (1) THERE IS A CLEAN ENERGY BUSINESS DEVELOPMENT ACCOUNT**
9 **AS A SUBACCOUNT IN THE ACCOUNT.**

10 **(2) THE CLEAN ENERGY ACCOUNT SHALL RECEIVE MONEY IN**
11 **ACCORDANCE WITH § 9-20B-05(I) OF THE STATE GOVERNMENT ARTICLE.**

12 **(3) MONEY IN THE CLEAN ENERGY ACCOUNT SHALL BE AVAILABLE**
13 **TO:**

14 **(I) MAKE GRANTS TO ELIGIBLE FUND MANAGERS TO PROVIDE**
15 **INVESTMENT CAPITAL AND LOANS TO SMALL, MINORITY, AND WOMEN-OWNED**
16 **BUSINESSES IN THE CLEAN ENERGY INDUSTRY IN THE STATE; AND**

17 **(II) PROVIDE A MANAGEMENT FEE TO COMPENSATE A FUND**
18 **MANAGER FOR ADMINISTRATIVE EXPENSES.**

19 **(4) FUNDING FROM THE CLEAN ENERGY ACCOUNT MAY NOT BE**
20 **LIMITED TO SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES IN THE CLEAN**
21 **ENERGY INDUSTRY IN THE JURISDICTIONS AND COMMUNITIES SURROUNDING A**
22 **VIDEO LOTTERY FACILITY.**

23 **(5) A FUND MANAGER THAT PROVIDES INVESTMENT CAPITAL AND**
24 **LOANS UNDER THIS SUBSECTION SHALL BE COMPENSATED FOR MARKETING AND**
25 **OPERATION ON A MANAGEMENT FEE BASIS.**

26 [(d)] (F) Fund managers receiving grants under this section shall:

27 (1) keep proper records of funds and accounts;

28 (2) provide an annual report to the Governor and, in accordance with §
29 2-1246 of this article, the General Assembly on investment capital and loans made
30 pursuant to subsection [(c)] (D) of this section; and

31 (3) be subject to audit by the Office of Legislative Audits of the Department
32 of Legislative Services.

1 **[(e)] (G)** (1) Subject to paragraph (2) of this subsection, **EXCEPT FOR AN**
2 **ELIGIBLE FUND MANAGER MANAGING A GRANT UNDER SUBSECTION (E) OF THIS**
3 **SECTION**, an eligible fund manager may use money from grants received under this section
4 to pay expenses for administrative, actuarial, legal, and technical services.

5 (2) The Board of Public Works shall set the maximum amount of grant
6 money that each eligible fund manager may use under paragraph (1) of this subsection.

7 **[(f)] (H)** Each fiscal year the Legislative Auditor shall audit and evaluate the
8 utilization of the funds that are allocated to small, minority, and women–owned businesses
9 by eligible fund managers under subsection **[(c)(3)] (D)(2)** of this section.

10 9–20B–01.

11 (a) In this subtitle the following words have the meanings indicated.

12 (b) “Administration” means the Maryland Energy Administration.

13 (c) “Board” means the Strategic Energy Investment Advisory Board established
14 under § 9–20B–07 of this subtitle.

15 **(D) “CLEAN ENERGY INDUSTRY” MEANS A GROUP OF EMPLOYERS THAT ARE**
16 **ASSOCIATED BY THEIR PROMOTION OF:**

17 **(1) PRODUCTS AND SERVICES THAT IMPROVE ENERGY EFFICIENCY**
18 **AND CONSERVATION, INCLUDING PRODUCTS AND SERVICES PROVIDED BY:**

19 **(I) ELECTRICIANS;**

20 **(II) HEATING, VENTILATION, AND AIR–CONDITIONING**
21 **INSTALLERS;**

22 **(III) PLUMBERS; AND**

23 **(IV) ENERGY AUDITORS;**

24 **(2) RENEWABLE AND CLEAN ENERGY RESOURCES THAT REDUCE**
25 **GREENHOUSE GAS EMISSIONS; AND**

26 **(3) TECHNOLOGY THAT ADVANCES EMISSIONS–FREE ENERGY**
27 **SYSTEMS.**

28 **[(d)] (E)** “Fund” means the Maryland Strategic Energy Investment Fund.

29 **[(e)] (F)** “Program” means the Maryland Strategic Energy Investment Program.

1 9–20B–05.

2 (f) The Administration shall use the Fund:

3 (1) to invest in the promotion, development, and implementation of:

4 (i) cost-effective energy efficiency and conservation programs,
5 projects, or activities, including measurement and verification of energy savings;

6 (ii) renewable and clean energy resources;

7 (iii) climate change programs directly related to reducing or
8 mitigating the effects of climate change; and

9 (iv) demand response programs that are designed to promote
10 changes in electric usage by customers in response to:

11 1. changes in the price of electricity over time; or

12 2. incentives designed to induce lower electricity use at times
13 of high wholesale market prices or when system reliability is jeopardized;

14 (2) to provide targeted programs, projects, activities, and investments to
15 reduce electricity consumption by customers in the low-income and moderate-income
16 residential sectors;

17 (3) to provide supplemental funds for low-income energy assistance
18 through the Electric Universal Service Program established under § 7–512.1 of the Public
19 Utilities Article and other electric assistance programs in the Department of Human
20 Resources;

21 (4) to provide rate relief by offsetting electricity rates of residential
22 customers, including an offset of surcharges imposed on ratepayers under § 7–211 of the
23 Public Utilities Article;

24 (5) to provide grants, loans, and other assistance and investment as
25 necessary and appropriate to implement the purposes of the Program as set forth in §
26 9–20B–03 of this subtitle;

27 (6) to implement energy-related public education and outreach initiatives
28 regarding reducing energy consumption and greenhouse gas emissions;

29 (7) to provide rebates under the Electric Vehicle Recharging Equipment
30 Rebate Program established under § 9–2009 of this title;

1 (8) to provide grants to encourage combined heat and power projects at
2 industrial facilities; [and]

3 (9) TO INVEST IN PRE-APPRENTICESHIP, APPRENTICESHIP, AND
4 OTHER WORKFORCE DEVELOPMENT PROGRAMS TO ESTABLISH CAREER PATHS IN
5 THE CLEAN ENERGY INDUSTRY UNDER § 11-708.1 OF THE LABOR AND
6 EMPLOYMENT ARTICLE;

7 (10) TO PROVIDE ACCESS TO CAPITAL FOR SMALL, MINORITY, AND
8 WOMEN-OWNED BUSINESSES IN THE CLEAN ENERGY INDUSTRY UNDER § 9-1A-35
9 OF THIS TITLE; AND

10 [(9)] (11) to pay the expenses of the Program.

11 (I) MONEY THAT THE FUND RECEIVES UNDER PUBLIC SERVICE
12 COMMISSION ORDER NUMBER 86372 SHALL BE ALLOCATED AS FOLLOWS:

13 (1) \$10,000,000 TO A CLEAN ENERGY WORKFORCE ACCOUNT
14 ESTABLISHED IN THE MARYLAND EMPLOYMENT ADVANCEMENT RIGHT NOW
15 PROGRAM UNDER § 11-708.1 OF THE LABOR AND EMPLOYMENT ARTICLE; AND

16 (2) \$30,000,000 TO A CLEAN ENERGY BUSINESS DEVELOPMENT
17 ACCOUNT ESTABLISHED IN THE SMALL, MINORITY, AND WOMEN-OWNED
18 BUSINESSES ACCOUNT UNDER § 9-1A-35 OF THIS TITLE.

19 [(i)] (J) (1) Except as provided in paragraph (2) of this subsection,
20 compliance fees paid under § 7-705(b) of the Public Utilities Article may be used only to
21 make loans and grants to support the creation of new Tier 1 renewable energy sources in
22 the State.

23 (2) Compliance fees paid under § 7-705(b)(2)(i)2 of the Public Utilities
24 Article shall be accounted for separately within the Fund and may be used only to make
25 loans and grants to support the creation of new solar energy sources in the State.

26 [(j)] (K) (1) The Treasurer shall invest the money of the Fund in the same
27 manner as other State money may be invested.

28 (2) Any investment earnings of the Fund shall be paid into an
29 administrative expense account within the Fund.

30 (3) Any repayment of principal and interest on loans made from the Fund
31 shall be paid into the Fund.

1 (4) Balances in the Fund shall be held for the benefit of the Program, shall
2 be expended solely for the purposes of the Program, and may not be used for the general
3 obligations of government.

4 **[(k)] (L)** Expenditures from the Fund shall be made by:

5 (1) an appropriation in the annual State budget; or

6 (2) a budget amendment in accordance with § 7-209 of the State Finance
7 and Procurement Article.

8 **[(l)] (M)** An expenditure by budget amendment may be made under subsection
9 **[(k)] (L)** of this section only after:

10 (1) the Administration has submitted the proposed budget amendment and
11 supporting documentation to the Senate Budget and Taxation Committee, Senate Finance
12 Committee, House Appropriations Committee, and House Economic Matters Committee;
13 and

14 (2) the committees have had 45 days for review and comment.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
16 apply only prospectively and may not be applied or interpreted to have any effect on or
17 application to any contract existing before the effective date of this Act.

18 SECTION 3. AND BE IT FURTHER ENACTED, That, if any provision of this Act or
19 the application thereof to any person or circumstance is held invalid for any reason in a
20 court of competent jurisdiction, the invalidity does not affect other provisions or any other
21 application of this Act that can be given effect without the invalid provision or application,
22 and for this purpose the provisions of this Act are declared severable.

23 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 October 1, 2016.