

HOUSE BILL 1242

M3, C5

8lr2188

By: **Delegates W. Miller, Afzali, Arentz, Aumann, Fisher, S. Howard, Impallaria, Jacobs, McKay, Metzgar, Rose, Shoemaker, and Wivell**

Introduced and read first time: February 8, 2018

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Solar Photovoltaic Recycling**

3 FOR the purpose of establishing a solar photovoltaic recycling fee; requiring a person
4 installing a solar electric generating facility in the State to pay the fee beginning on
5 a certain date; prohibiting certain entities from imposing a tax, fee, or other charge
6 on the installation of a solar electric generating facility; requiring each installer to
7 pay the fee and submit a return and remit the fee to the Comptroller on or before a
8 certain day; establishing a certain credit for an installer who timely files a fee return
9 and pays the fee; exempting the fee from certain provisions of law under certain
10 circumstances; requiring the Comptroller to forward a certain portion of the fees to
11 the Solar Photovoltaic Recycling Fund; applying certain provisions of law governing
12 the sales and use tax to the administration, collection, and enforcement of the fee;
13 requiring the Comptroller to administer the fee; authorizing the Comptroller to
14 adopt certain regulations; establishing the Fund as a special, nonlapsing fund;
15 specifying the purpose of the Fund; requiring the Department of the Environment to
16 administer the Fund; requiring the Treasurer to hold the Fund and the Comptroller
17 to account for the Fund; specifying the contents of the Fund; specifying the purposes
18 for which the Fund may be used; requiring interest earnings of the Fund to be
19 credited to the Fund; requiring that a certain percentage of a certain sale price of
20 each renewable energy credit be deposited into the Fund; exempting the Fund from
21 a certain provision of law requiring interest earnings on State money to accrue to the
22 General Fund of the State; defining a certain term; and generally relating to solar
23 photovoltaic recycling.

24 BY adding to

25 Article – Environment

26 Section 9–1714 and 9–1715

27 Annotated Code of Maryland

28 (2014 Replacement Volume and 2017 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,
2 Article – Public Utilities
3 Section 7–709(a)
4 Annotated Code of Maryland
5 (2010 Replacement Volume and 2017 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article – Public Utilities
8 Section 7–709(b)
9 Annotated Code of Maryland
10 (2010 Replacement Volume and 2017 Supplement)

11 BY repealing and reenacting, without amendments,
12 Article – State Finance and Procurement
13 Section 6–226(a)(2)(i)
14 Annotated Code of Maryland
15 (2015 Replacement Volume and 2017 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – State Finance and Procurement
18 Section 6–226(a)(2)(ii)101. and 102.
19 Annotated Code of Maryland
20 (2015 Replacement Volume and 2017 Supplement)

21 BY adding to
22 Article – State Finance and Procurement
23 Section 6–226(a)(2)(ii)103.
24 Annotated Code of Maryland
25 (2015 Replacement Volume and 2017 Supplement)

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

28 **Article – Environment**

29 **9–1714.**

30 **(A) (1) BEGINNING OCTOBER 1, 2018, A PERSON INSTALLING A SOLAR**
31 **ELECTRIC GENERATING FACILITY IN THE STATE SHALL PAY A SOLAR**
32 **PHOTOVOLTAIC RECYCLING FEE.**

33 **(2) A COUNTY, MUNICIPAL CORPORATION, OR ANY AGENCY OF A**
34 **COUNTY OR MUNICIPAL CORPORATION MAY NOT IMPOSE ANY TAX, FEE, OR OTHER**
35 **CHARGE ON THE INSTALLATION OF A SOLAR ELECTRIC GENERATING FACILITY.**

36 **(B) THE SOLAR PHOTOVOLTAIC RECYCLING FEE IS 10% OF THE COST OF**

1 INSTALLATION.

2 (C) EACH INSTALLER SHALL:

3 (1) PAY THE SOLAR PHOTOVOLTAIC RECYCLING FEE; AND

4 (2) ON OR BEFORE THE 21ST DAY OF THE MONTH THAT FOLLOWS THE
5 MONTH IN WHICH THE SALE WAS MADE:

6 (I) COMPLETE AND SUBMIT, UNDER OATH, A RETURN TO THE
7 COMPTROLLER; AND

8 (II) REMIT THE FEES TO THE COMPTROLLER.

9 (D) AN INSTALLER WHO TIMELY FILES A SOLAR PHOTOVOLTAIC RECYCLING
10 FEE RETURN AND PAYS THE SOLAR PHOTOVOLTAIC RECYCLING FEES DUE IS
11 ALLOWED, FOR THE EXPENSE OF ADMINISTERING AND PAYING THE FEE, A CREDIT
12 EQUAL TO 0.6% OF THE GROSS AMOUNT OF SOLAR PHOTOVOLTAIC RECYCLING FEES
13 THAT THE INSTALLER IS TO PAY TO THE COMPTROLLER.

14 (E) IF THE AMOUNT OF THE SOLAR PHOTOVOLTAIC RECYCLING FEE IS
15 SEPARATELY STATED IN A RETAIL SALE, THE SOLAR PHOTOVOLTAIC RECYCLING
16 FEE IS NOT SUBJECT TO ANY TAX UNDER TITLE 11 OF THE TAX – GENERAL ARTICLE
17 OR TITLE 13 OF THE TRANSPORTATION ARTICLE.

18 (F) AT THE END OF EACH QUARTER, THE COMPTROLLER SHALL FORWARD
19 ALL SOLAR PHOTOVOLTAIC RECYCLING FEES TO THE SOLAR PHOTOVOLTAIC
20 RECYCLING FUND UNDER § 9-1715 OF THIS SUBTITLE, LESS THE COSTS OF
21 ADMINISTRATION.

22 (G) EXCEPT TO THE EXTENT THEY ARE INCONSISTENT WITH THIS
23 SUBSECTION, THE PROVISIONS OF TITLE 13 OF THE TAX – GENERAL ARTICLE
24 APPLICABLE TO THE SALES AND USE TAX SHALL GOVERN THE ADMINISTRATION,
25 COLLECTION, AND ENFORCEMENT OF THE SOLAR PHOTOVOLTAIC RECYCLING FEE
26 UNDER THIS SUBSECTION.

27 (H) THE COMPTROLLER:

28 (1) SHALL ADMINISTER THE SOLAR PHOTOVOLTAIC RECYCLING FEE;
29 AND

30 (2) MAY ADOPT ANY REGULATIONS THAT ARE NECESSARY OR
31 APPROPRIATE TO ADMINISTER, COLLECT, AND ENFORCE THE SOLAR

1 PHOTOVOLTAIC RECYCLING FEE.

2 9-1715.

3 (A) IN THIS SECTION, "FUND" MEANS THE SOLAR PHOTOVOLTAIC
4 RECYCLING FUND.

5 (B) THERE IS A SOLAR PHOTOVOLTAIC RECYCLING FUND.

6 (C) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING FOR
7 TECHNOLOGIES AND PROCESSES THAT ASSIST WITH THE RECYCLING OF SOLAR
8 PHOTOVOLTAIC SYSTEMS.

9 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

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

12 (2) THE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE
13 COMPTROLLER SHALL ACCOUNT FOR THE FUND.

14 (F) THE FUND CONSISTS OF:

15 (1) REVENUE DISTRIBUTED TO THE FUND UNDER § 9-1714 OF THIS
16 SUBTITLE AND § 7-709 OF THE PUBLIC UTILITIES ARTICLE;

17 (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;
18 AND

19 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
20 THE BENEFIT OF THE FUND.

21 (G) THE FUND MAY BE USED ONLY FOR:

22 (1) TECHNOLOGIES AND PROCESSES THAT ASSIST WITH THE
23 RECYCLING OF SOLAR PHOTOVOLTAIC SYSTEMS; AND

24 (2) ADMINISTRATION OF THE FUND.

25 (H) (1) THE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE
26 SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

27 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO

1 **THE FUND.**

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

4 **(J) MONEY EXPENDED FROM THE FUND FOR THE RECYCLING OF SOLAR**
5 **PHOTOVOLTAIC SYSTEMS IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE**
6 **PLACE OF FUNDING THAT WOULD OTHERWISE BE APPROPRIATED FOR RECYCLING**
7 **OF SOLAR PHOTOVOLTAIC SYSTEMS.**

8 **Article – Public Utilities**

9 7–709.

10 (a) An electricity supplier may use accumulated renewable energy credits to meet
11 the renewable energy portfolio standard, including credits created by a renewable on–site
12 generator.

13 (b) **(1) [A] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A**
14 **renewable energy credit may be sold or otherwise transferred.**

15 **(2) FOR EACH RENEWABLE ENERGY CREDIT THAT IS SOLD, 20% OF**
16 **THE FIRST SALE PRICE SHALL BE DEPOSITED INTO THE SOLAR PHOTOVOLTAIC**
17 **RECYCLING FUND UNDER § 9–1715 OF THE ENVIRONMENT ARTICLE.**

18 **Article – State Finance and Procurement**

19 6–226.

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

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

28 101. the Advance Directive Program Fund; [and]

29 102. the Make Office Vacancies Extinct Matching Fund; AND

30 **103. THE SOLAR PHOTOVOLTAIC RECYCLING FUND.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2018.