

# HOUSE BILL 395

M4, P1, M5

0lr2511

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By: **Delegates Krimm and Stein**

Introduced and read first time: January 22, 2020

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 12, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Strategic Energy Investment Fund – Regional Greenhouse Gas**  
3 **Initiative – Use of Proceeds for Maryland Healthy Soils Program**

4 FOR the purpose of specifying that funds in a certain renewable and clean energy programs  
5 account within the Maryland Strategic Energy Investment Fund be used for the  
6 Maryland Healthy Soils Program; requiring that ~~the greater of a certain percentage~~  
7 ~~or~~ a certain dollar amount of the renewable and clean energy programs account be  
8 allocated to the Maryland Healthy Soils Program; providing for the termination of  
9 this Act; and generally relating to the Maryland Strategic Energy Investment Fund.

10 BY repealing and reenacting, without amendments,  
11 Article – Environment  
12 Section 2–1002(g)  
13 Annotated Code of Maryland  
14 (2013 Replacement Volume and 2019 Supplement)

15 BY repealing and reenacting, without amendments,  
16 Article – State Government  
17 Section 9–20B–05(a) and (f)(1)(iii)  
18 Annotated Code of Maryland  
19 (2014 Replacement Volume and 2019 Supplement)

20 BY repealing and reenacting, with amendments,  
21 Article – State Government  
22 Section 9–20B–05(g)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland  
2 (2014 Replacement Volume and 2019 Supplement)

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

5 **Article – Environment**

6 2–1002.

7 (g) (1) In this subsection, “allowance” means one ton of carbon dioxide that  
8 may be bought, sold, traded, or banked for use under the Regional Greenhouse Gas  
9 Initiative.

10 (2) Not later than June 30, 2007, the Governor shall include the State as a  
11 full participant in the Regional Greenhouse Gas Initiative among Mid–Atlantic and  
12 Northeast states.

13 (3) The State may withdraw from the Initiative, as provided in the  
14 December 20, 2005 memorandum of understanding of the Initiative, at any time after  
15 January 1, 2009, if the General Assembly enacts a law to approve the withdrawal.

16 (4) If the Regional Greenhouse Gas Initiative expires and there is a  
17 successor organization with the same purposes and goals, the Governor is encouraged to  
18 join the State in the successor organization.

19 (5) Notwithstanding § 2–107 of this title, all of the proceeds from the sale  
20 of Maryland allowances under the Regional Greenhouse Gas Initiative shall be deposited  
21 in the Maryland Strategic Energy Investment Fund under § 9–20B–05 of the State  
22 Government Article.

23 (6) If the State’s participation in the Regional Greenhouse Gas Initiative  
24 ceases for any reason, the Governor shall report to the General Assembly, in accordance  
25 with § 2–1257 of the State Government Article, regarding:

26 (i) Why participation ceased; and

27 (ii) A plan to reduce carbon dioxide emissions from power plants in  
28 the State that considers the use of Maryland grown, native, warm season grasses as a  
29 possible method of reducing carbon emissions.

30 **Article – State Government**

31 9–20B–05.

32 (a) There is a Maryland Strategic Energy Investment Fund.

1 (f) The Administration shall use the Fund:

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

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

5 (g) (1) Proceeds received by the Fund from the sale of allowances under §  
6 2-1002(g) of the Environment Article shall be allocated as follows:

7 [(1)] (I) at least 50% shall be credited to an energy assistance account to  
8 be used for the Electric Universal Service Program and other electricity assistance  
9 programs in the Department of Human Services;

10 [(2)] (II) at least 20% shall be credited to a low and moderate income  
11 efficiency and conservation programs account and to a general efficiency and conservation  
12 programs account for energy efficiency and conservation programs, projects, or activities  
13 and demand response programs, of which at least one-half shall be targeted to the low and  
14 moderate income efficiency and conservation programs account for:

15 [(i)] 1. the low-income residential sector at no cost to the  
16 participants of the programs, projects, or activities; and

17 [(ii)] 2. the moderate-income residential sector;

18 [(3)] (III) **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION**, at least  
19 20% shall be credited to a renewable and clean energy programs account for:

20 [(i)] 1. renewable and clean energy programs and initiatives;

21 [(ii)] 2. energy-related public education and outreach; and

22 [(iii)] 3. climate change and resiliency programs, **INCLUDING THE**  
23 **MARYLAND HEALTHY SOILS PROGRAM ESTABLISHED UNDER § 2-1901 OF THE**  
24 **AGRICULTURE ARTICLE**; and

25 [(4)] (IV) up to 10%, but not more than \$5,000,000, shall be credited to an  
26 administrative expense account for costs related to the administration of the Fund,  
27 including the review of electric company plans for achieving electricity savings and demand  
28 reductions that the electric companies are required under law to submit to the  
29 Administration.

30 (2) **OF THE 20% CREDITED TO A RENEWABLE AND CLEAN ENERGY**  
31 **PROGRAMS ACCOUNT UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION, ~~THE~~**  
32 **~~GREATER OF 10% OR \$1,000,000~~ \$500,000 SHALL BE ALLOCATED TO THE**  
33 **MARYLAND HEALTHY SOILS PROGRAM.**

**HOUSE BILL 395**

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 October 1, 2020. It shall remain effective for a period of 5 years and, at the end of September  
3 30, 2025, this Act, with no further action required by the General Assembly, shall be  
4 abrogated and of no further force and effect.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.