



MARYLAND LEGISLATIVE LATINO CAUCUS

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TO: Delegate Ben Barnes , Chair
Delegate Mark S. Chang, Vice Chair
Appropriations Committee Members
FROM: Maryland Legislative Latino Caucus
DATE: 2/28/24
RE: HB1220- Maryland Clean Energy Center- Climate
Technology Founders Fund

The MLLC supports HB1220- Maryland Clean Energy Center- Climate Technology Founders Fund

The MLLC is a bipartisan group of Senators and Delegates committed to supporting legislation that improves the lives of Latinos throughout our state. The MLLC is a crucial voice in the development of public policy that uplifts the Latino community and benefits the state of Maryland. Thank you for allowing us the opportunity to express our support of HB1220.

This bill would require the Maryland Energy Administration to provide at least \$1.2 million per year for fiscal years 2025-2028 from the Strategic Energy Investment Fund to the Climate Technology Founders Fund. It would then allow the Governor to transfer up to \$2.2 million from the Small, Minority, and Women-Owned Businesses Account to the Climate Technology Founders Fund before June 30, 2024. This is particularly important since Latino startups in the climate sector in Maryland are in need of investment and support to effectively deal with climate change. The Maryland Climate Partners Report developed by thirty-five of the leading climate justice advocacy organizations in the state declared prioritizing climate-related funding as well as benefits to underserved and overburdened communities as one of the top environmental priorities necessary for the State. These communities are also identified in the report as areas with high concentrations of Black and Latino Marylanders¹.

This bill establishes a targeted fund to support climate technology start-ups and projects, financed through a dedicated funding stream and prioritizing certain businesses. Specifically, this bill would establish a Climate Technology Founders Fund within the Maryland Clean Energy Center to provide early-stage funding for start-up companies focused on climate technology projects like solar, wind, energy storage, carbon capture, etc.

When determining the qualified projects to receive financing from the fund, the department shall give preference to companies that are small, minority, women-owned, and veteran-owned businesses in the clean energy industry. Outline allowed uses of the fund include evaluating/coordinating financing for climate tech projects, providing financing to projects, securing private capital, and administrative costs. Additionally, this bill would require recipients to provide matching funds equal to the amount of financing received. This bill would also repeal certain provisions related to directing Strategic Energy Investment Funds to other programs. Interest earnings on the Climate Technology Founders Fund would then go back into the fund.

For these reasons, the Maryland Legislative Latino Caucus respectfully requests a favorable report on HB1220.