

HOUSE BILL 368

C5, M3

8lr0230
CF SB 268

By: **The Speaker (By Request - Administration) and Delegates McHale, Hecht, Mathias, Ali, Aumann, Barve, Bobo, Bronrott, Cardin, Carr, G. Clagett, Conway, Doory, Dumais, Eckardt, Elmore, Gilchrist, Haynes, Healey, Hixson, Howard, Hucker, James, Jones, Kaiser, Krebs, Lee, Love, Manno, Mizeur, Montgomery, Morhaim, Pena-Melnyk, Riley, Rosenberg, Shewell, Sophocleus, Stein, Tarrant, ~~and F. Turner~~ F. Turner, Burns, Feldman, Haddaway, Harrison, Kirk, and Krysiak**

Introduced and read first time: January 25, 2008

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 27, 2008

CHAPTER _____

1 AN ACT concerning

2 **Regional Greenhouse Gas Initiative - Maryland Strategic Energy Investment**
3 **Program**

4 FOR the purpose of repealing the Maryland Renewable Energy Fund and establishing
5 the Maryland Strategic Energy Investment Program in the Maryland Energy
6 Administration; establishing the purpose of the Program; establishing the
7 duties of the Administration under the Program; establishing the Maryland
8 Strategic Energy Investment Fund; providing that the Fund is a special,
9 nonlapsing fund not subject to a certain law; requiring the Treasurer to hold the
10 Fund and the Comptroller to account for the Fund; providing for the funding of
11 the Fund; requiring the Administration to use the Fund for certain purposes,
12 according to certain allocations; limiting the use of funds from certain
13 compliance fees to certain purposes; requiring the Fund to be invested in a
14 certain manner; requiring the investment earnings from the Fund and the
15 repayment of principal and interest on loans made from the Fund to be paid to
16 the Fund; requiring expenditures from the Fund to be made by certain
17 appropriations or budget amendments; requiring that an expenditure from the
18 Fund by budget amendment may be made only under certain circumstances;
19 establishing the Strategic Energy Investment Advisory Board; providing for the
20 membership and charge of the Board; requiring the Administration to disclose

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 certain information regarding certain contracts in a certain manner; requiring
2 the Administration to develop certain plans for expenditures from the Fund;
3 requiring the Administration to hold certain public meetings; requiring the
4 Administration to submit certain reports to the General Assembly; authorizing
5 the Administration to enter into certain contracts with certain parties for
6 certain purposes; prohibiting a person from knowingly making or causing to be
7 made certain false statements; establishing that a certain violation is a
8 misdemeanor; establishing certain penalties; requiring that certain proceeds
9 from the sale of certain allowances be deposited in the Fund; providing for the
10 transfer of certain moneys from the Maryland Renewable Energy Fund to the
11 Maryland Strategic Energy Investment Fund; defining certain terms; providing
12 for the initial terms of members of the Strategic Energy Investment Advisory
13 Board; and generally relating to the Maryland Strategic Energy Investment
14 Program.

15 BY repealing and reenacting, without amendments,
16 Article – Public Utility Companies
17 Section 7–701(a)
18 Annotated Code of Maryland
19 (1998 Volume and 2007 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article – Public Utility Companies
22 Section 7–701(c) and 7–705(b)
23 Annotated Code of Maryland
24 (1998 Volume and 2007 Supplement)

25 BY repealing
26 Article – Public Utility Companies
27 Section 7–707
28 Annotated Code of Maryland
29 (1998 Volume and 2007 Supplement)

30 BY adding to
31 Article – State Government
32 Section 9–20B–01 through ~~9–20B–07~~ 9–20B–10 to be under the new subtitle
33 “Subtitle 20B. Maryland Strategic Energy Investment Program”
34 Annotated Code of Maryland
35 (2004 Replacement Volume and 2007 Supplement)

36 BY repealing and reenacting, without amendments,
37 Article – Environment
38 Section 2–107(a)
39 Annotated Code of Maryland
40 (2007 Replacement Volume and 2007 Supplement)

41 BY repealing and reenacting, with amendments,
42 Article – Environment

- 1 (1) compliance fees paid under § 7–705 of this subtitle;
2 (2) payments received in repayment of a loan;
3 (3) investment earnings of the Fund; and
4 (4) any other money from any other source accepted for the benefit of
5 the Fund.

6 (f) (1) (i) Subject to subparagraph (ii) of this paragraph, the Fund
7 may be used only to make loans and grants to support the creation of new Tier 1
8 renewable sources in the State.

9 (ii) Compliance fees paid under § 7–705(b)(1)(ii) of this subtitle
10 shall be accounted for separately within the Fund and may be used only to make loans
11 and grants to support the creation of new solar energy sources in the State.

12 (2) By regulation the Commission shall adopt eligibility criteria for
13 projects supported by the Fund.

14 (3) (i) The Administration shall receive and review applications for
15 loans and grants for eligible projects.

16 (ii) The Administration shall approve or disapprove applications
17 for loans and grants from the Fund.

18 (4) (i) Subject to subparagraph (ii) of this paragraph, the
19 Commission may allow the use of money of the Fund for administrative expenses
20 related to the Fund and project review and oversight.

21 (ii) The Administration and the Commission may not spend
22 more than 10% of the funds placed in the Fund for administrative expenses.

23 (g) (1) The Treasurer shall invest the money of the Fund in the same
24 manner as other State money may be invested.

25 (2) Any investment earnings of the Fund shall be credited to the Fund.

26 (h) (1) On or before February 1 of each year, the Administration, in
27 consultation with the Commission, shall report to the Governor and, in accordance
28 with § 2–1246 of the State Government Article, the General Assembly, on the status of
29 the Fund.

30 (2) The report shall include:

31 (i) all amounts received by and disbursed from the Fund;

1 (ii) all amounts used by the Administration and the Commission
2 for administrative purposes;

3 (iii) the evaluation criteria used by the Administration in
4 making loans and grants from the Fund and in selecting recipients of those loans and
5 grants;

6 (iv) the number and amounts of loans and grants made in the
7 preceding calendar year;

8 (v) the status of loans pending as of the end of the preceding
9 calendar year;

10 (vi) the allocation of disbursements for development of new solar
11 and other Tier 1 renewable sources;

12 (vii) the projected receipts of the Fund in the current calendar
13 year; and

14 (viii) plans for the use of resources of the Fund in the current
15 calendar year.]

16 **Article – State Government**

17 **SUBTITLE 20B. MARYLAND STRATEGIC ENERGY INVESTMENT PROGRAM.**

18 **9-20B-01.**

19 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
20 INDICATED.

21 (B) “ADMINISTRATION” MEANS THE MARYLAND ENERGY
22 ADMINISTRATION.

23 (C) “FUND” MEANS THE MARYLAND STRATEGIC ENERGY INVESTMENT
24 FUND.

25 (D) “PROGRAM” MEANS THE MARYLAND STRATEGIC ENERGY
26 INVESTMENT PROGRAM.

27 **9-20B-02.**

28 **THERE IS A MARYLAND STRATEGIC ENERGY INVESTMENT PROGRAM IN**
29 **THE MARYLAND ENERGY ADMINISTRATION.**

30 **9-20B-03.**

1 **THE PURPOSE OF THE PROGRAM IS TO DECREASE ENERGY DEMAND AND**
2 **INCREASE ENERGY SUPPLY TO PROMOTE AFFORDABLE, RELIABLE, AND CLEAN**
3 **ENERGY TO FUEL MARYLAND’S FUTURE PROSPERITY.**

4 **9-20B-04.**

5 **THE ADMINISTRATION SHALL:**

6 (1) **MANAGE, SUPERVISE, AND ADMINISTER THE PROGRAM;**

7 (2) **ADOPT REGULATIONS TO IMPLEMENT THE PROGRAM AND TO**
8 **ENSURE THAT FUND RESOURCES ARE UTILIZED ONLY TO CARRY OUT THE**
9 **PURPOSES OF THE PROGRAM;**

10 (3) **ATTACH SPECIFIC TERMS AND CONDITIONS TO ANY GRANT,**
11 **LOAN, OR OTHER FORM OF ASSISTANCE THAT ARE DETERMINED BY THE**
12 **ADMINISTRATION AS NECESSARY TO ENSURE THAT THE PURPOSES OF THE**
13 **PROGRAM ARE FULFILLED;**

14 (4) **DEVELOP PROCEDURES FOR MONITORING PROJECTS AND**
15 **INVESTMENTS TO VERIFY THAT FUND RESOURCES ARE BEING USED TO MEET**
16 **THE PURPOSES OF THE PROGRAM; AND**

17 (5) **PROVIDE MONEYS ANNUALLY OR AS NEEDED TO THE CLEAN**
18 **AIR FUND MANAGED BY THE DEPARTMENT OF THE ENVIRONMENT TO FUND**
19 **THE COSTS OF THE DEPARTMENT’S PROGRAMS TO REDUCE OR MITIGATE THE**
20 **EFFECTS OF CLIMATE CHANGE.**

21 **9-20B-05.**

22 (A) **THERE IS A MARYLAND STRATEGIC ENERGY INVESTMENT FUND.**

23 (B) **THE PURPOSE OF THE FUND IS TO IMPLEMENT THE STRATEGIC**
24 **ENERGY INVESTMENT PROGRAM.**

25 (C) **THE ADMINISTRATION SHALL ADMINISTER THE FUND.**

26 (D) (1) **THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
27 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

28 (2) **THE TREASURER SHALL HOLD THE FUND SEPARATELY AND**
29 **THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

30 (E) **THE FUND CONSISTS OF:**

1 (1) ALL OF THE PROCEEDS FROM THE SALE OF ALLOWANCES
2 UNDER § 2-1002(G) OF THE ENVIRONMENT ARTICLE;

3 (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE
4 PROGRAM;

5 (3) REPAYMENTS AND PREPAYMENTS OF PRINCIPAL AND
6 INTEREST ON LOANS MADE FROM THE FUND;

7 (4) INTEREST AND INVESTMENT EARNINGS ON THE FUND;

8 (5) COMPLIANCE FEES PAID UNDER § 7-705 OF THE PUBLIC
9 UTILITY COMPANIES ARTICLE; AND

10 (6) MONEY RECEIVED FROM ANY PUBLIC OR PRIVATE SOURCE
11 FOR THE BENEFIT OF THE FUND.

12 (F) THE ADMINISTRATION SHALL USE THE FUND:

13 (1) TO INVEST IN THE PROMOTION, DEVELOPMENT, AND
14 IMPLEMENTATION OF:

15 (I) COST-EFFECTIVE ENERGY EFFICIENCY AND
16 CONSERVATION PROGRAMS, PROJECTS, OR ACTIVITIES , INCLUDING
17 MEASUREMENT AND VERIFICATION OF ENERGY SAVINGS;

18 (II) RENEWABLE AND CLEAN ENERGY RESOURCES; ~~AND~~

19 (III) CLIMATE CHANGE RESEARCH AND OTHER PROGRAMS
20 DIRECTLY RELATED TO REDUCING OR MITIGATING THE EFFECTS OF CLIMATE
21 CHANGE; AND

22 (IV) DEMAND RESPONSE PROGRAMS THAT ARE DESIGNED TO
23 PROMOTE CHANGES IN ELECTRIC USAGE BY CUSTOMERS IN RESPONSE TO:

24 1. CHANGES IN THE PRICE OF ELECTRICITY OVER
25 TIME; OR

26 2. INCENTIVES DESIGNED TO INDUCE LOWER
27 ELECTRICITY USE AT TIMES OF HIGH WHOLESALE MARKET PRICES OR WHEN
28 SYSTEM RELIABILITY IS JEOPARDIZED;

29 (2) TO PROVIDE ~~TARGETED PROGRAMS TO REDUCE ELECTRICITY~~
30 ~~CONSUMPTION BY CUSTOMERS IN THE LOW-INCOME AND MODERATE-INCOME~~

1 ~~RESIDENTIAL SECTOR;~~ FUNDS FOR LOW-INCOME ENERGY ASSISTANCE
2 THROUGH THE ELECTRIC UNIVERSAL SERVICE PROGRAM ESTABLISHED
3 UNDER § 7-512.1 OF THE PUBLIC UTILITIES COMPANY ARTICLE;

4 (3) TO PROVIDE RATE RELIEF BY OFFSETTING ELECTRICITY
5 RATES OF RESIDENTIAL CUSTOMERS;

6 ~~(3)~~ (4) TO PROVIDE GRANTS, LOANS, AND OTHER ASSISTANCE
7 AND INVESTMENT AS NECESSARY AND APPROPRIATE TO IMPLEMENT THE
8 PURPOSES OF THE PROGRAM AS SET FORTH IN § 9-20B-03 OF THIS SUBTITLE;

9 (5) TO IMPLEMENT EDUCATION AND OUTREACH INITIATIVES
10 REGARDING REDUCING ENERGY CONSUMPTION AND GREENHOUSE GAS
11 EMISSIONS; AND

12 ~~(4)~~ (6) TO PAY THE EXPENSES OF THE PROGRAM.

13 (G) MONEYS RECEIVED EACH YEAR BY THE FUND FROM THE SALE OF
14 ALLOWANCES UNDER § 2-1002(G) OF THE ENVIRONMENT ARTICLE SHALL BE
15 ALLOCATED AS FOLLOWS:

16 (1) \$10,000,000 SHALL BE TRANSFERRED TO THE ELECTRIC
17 UNIVERSAL SERVICE PROGRAM FUND UNDER § 7-512.1 OF THE PUBLIC
18 UTILITY COMPANIES ARTICLE, TO BE USED FOR BILL ASSISTANCE AND
19 ARREARAGE RETIREMENT;

20 (2) OF ALL AMOUNTS ABOVE \$10,000,000 UP TO \$100,000,000:

21 (I) AT LEAST 70% SHALL BE SPENT ON ENERGY EFFICIENCY
22 AND ENERGY CONSERVATION PROGRAMS;

23 (II) 20% MAY BE ALLOCATED TO ENERGY EDUCATION AND
24 RENEWABLE ENERGY DEVELOPMENT;

25 (III) 5% MAY BE ALLOCATED TO CLIMATE CHANGE
26 PROGRAMS; AND

27 (IV) UP TO 4% MAY BE USED FOR ADMINISTRATIVE
28 EXPENSES;

29 (3) OF ALL AMOUNTS ABOVE \$100,000,000 UP TO \$140,000,000:

30 (I) 25% SHALL BE USED TO PROVIDE FOR RESIDENTIAL
31 ELECTRICITY RATE RELIEF THROUGH THE ENERGY ASSISTANCE PROGRAMS

1 UNDER THE OFFICE OF HOME ENERGY PROGRAMS IN THE DEPARTMENT OF
2 HUMAN RESOURCES; AND

3 (II) 75% SHALL BE RETURNED TO RESIDENTIAL
4 RATEPAYERS, IN A MANNER DETERMINED BY THE PUBLIC SERVICE
5 COMMISSION, TO OFFSET COSTS IMPOSED ON RATEPAYERS FROM ENERGY
6 EFFICIENCY AND CONSERVATION MEASURES AND SERVICES AND DEMAND
7 RESPONSE PROGRAMS APPROVED BY THE COMMISSION; AND

8 (4) ALL AMOUNTS IN EXCESS OF \$140,000,000 SHALL BE USED AS
9 FOLLOWS:

10 (I) PROCEEDS FROM THE SALE OF ALLOWANCES AT
11 AUCTIONS OCCURRING BEFORE JANUARY 1, 2011 SHALL BE RETURNED TO
12 RESIDENTIAL RATEPAYERS, IN A MANNER DETERMINED BY THE PUBLIC
13 SERVICE COMMISSION:

14 1. TO OFFSET COSTS IMPOSED ON RATEPAYERS
15 FROM ENERGY EFFICIENCY AND CONSERVATION MEASURES AND SERVICES AND
16 DEMAND RESPONSE PROGRAMS APPROVED BY THE COMMISSION; AND

17 2. FOR OTHER APPROPRIATE RATE RELIEF; AND

18 (II) PROCEEDS FROM THE SALE OF ALLOWANCES AT
19 AUCTIONS OCCURRING ON OR AFTER JANUARY 1, 2011 SHALL BE DIVIDED
20 PROPORTIONALLY AMONG THE USES SPECIFIED IN ITEMS (2) AND (3) OF THIS
21 SUBSECTION.

22 (H) (1) ENERGY EFFICIENCY AND ENERGY CONSERVATION
23 PROGRAMS UNDER SUBSECTION (G)(2)(I) OF THIS SECTION INCLUDE:

24 (I) LOW-INCOME ENERGY EFFICIENCY PROGRAMS;

25 (II) RESIDENTIAL AND SMALL BUSINESS ENERGY
26 EFFICIENCY PROGRAMS;

27 (III) COMMERCIAL AND INDUSTRIAL ENERGY EFFICIENCY
28 PROGRAMS;

29 (IV) STATE AND LOCAL ENERGY EFFICIENCY PROGRAMS;

30 (V) DEMAND RESPONSE PROGRAMS; AND

1 (VI) GRANTS TO TRAINING FUNDS AND OTHER
2 ORGANIZATIONS SUPPORTING JOB TRAINING FOR DEPLOYMENT OF ENERGY
3 EFFICIENCY AND ENERGY CONSERVATION TECHNOLOGY AND EQUIPMENT.

4 (2) ENERGY EDUCATION AND RENEWABLE ENERGY
5 DEVELOPMENT UNDER SUBSECTION (G)(2)(II) OF THIS SECTION INCLUDE:

6 (I) PRODUCTION INCENTIVES FOR SPECIFIED RENEWABLE
7 ENERGY SOURCES;

8 (II) EXPANSION OF EXISTING GRANT PROGRAMS FOR
9 SOLAR, GEOTHERMAL, AND WIND PROGRAMS;

10 (III) LOAN PROGRAMS AND ALTERNATIVE FINANCING
11 MECHANISMS; AND

12 (IV) CONSUMER EDUCATION AND OUTREACH PROGRAMS.

13 ~~(G)~~ (I) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
14 SUBSECTION, COMPLIANCE FEES PAID UNDER § 7-705(B) OF THE PUBLIC
15 UTILITY COMPANIES ARTICLE MAY BE USED ONLY TO MAKE LOANS AND
16 GRANTS TO SUPPORT THE CREATION OF NEW TIER 1 RENEWABLE ENERGY
17 SOURCES IN THE STATE.

18 (2) COMPLIANCE FEES PAID UNDER § 7-705(B)(1)(II) OF THE
19 PUBLIC UTILITY COMPANIES ARTICLE SHALL BE ACCOUNTED FOR
20 SEPARATELY WITHIN THE FUND AND MAY BE USED ONLY TO MAKE LOANS AND
21 GRANTS TO SUPPORT THE CREATION OF NEW SOLAR ENERGY SOURCES IN THE
22 STATE.

23 ~~(H)~~ (J) (1) THE TREASURER SHALL INVEST THE MONEY OF THE
24 FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

25 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID
26 INTO THE FUND.

27 (3) ANY REPAYMENT OF PRINCIPAL AND INTEREST ON LOANS
28 MADE FROM THE FUND SHALL BE PAID INTO THE FUND.

29 (4) BALANCES IN THE FUND SHALL BE HELD FOR THE BENEFIT
30 OF THE PROGRAM, SHALL BE EXPENDED SOLELY FOR THE PURPOSES OF THE
31 PROGRAM, AND MAY NOT BE USED FOR THE GENERAL OBLIGATIONS OF
32 GOVERNMENT.

33 ~~(I)~~ (K) EXPENDITURES FROM THE FUND SHALL BE MADE BY:

1 (1) AN APPROPRIATION IN THE ANNUAL STATE BUDGET; OR

2 (2) A BUDGET AMENDMENT IN ACCORDANCE WITH § 7-209 OF
3 THE STATE FINANCE AND PROCUREMENT ARTICLE.

4 (L) AN EXPENDITURE BY BUDGET AMENDMENT MAY BE MADE UNDER
5 SUBSECTION (K) OF THIS SECTION ONLY AFTER:

6 (1) THE ADMINISTRATION HAS SUBMITTED THE PROPOSED
7 BUDGET AMENDMENT AND SUPPORTING DOCUMENTATION TO THE SENATE
8 BUDGET AND TAXATION COMMITTEE, SENATE FINANCE COMMITTEE, HOUSE
9 APPROPRIATIONS COMMITTEE, AND HOUSE ECONOMIC MATTERS COMMITTEE;
10 AND

11 (2) THE COMMITTEES HAVE HAD 45 DAYS FOR REVIEW AND
12 COMMENT.

13 (M) (1) THE ADMINISTRATION REGULARLY SHALL DISCLOSE
14 SUMMARY INFORMATION REGARDING ANY CONTRACT ENTERED INTO BY THE
15 ADMINISTRATION THAT ENCUMBERS \$100,000 OR MORE FROM THE FUND.

16 (2) FOR EACH OF THE CONTRACTS SPECIFIED UNDER
17 PARAGRAPH (1) OF THIS SUBSECTION, THE FOLLOWING INFORMATION SHALL
18 BE POSTED ON THE ADMINISTRATION'S WEBSITE ON A QUARTERLY BASIS:

19 (I) THE NAME AND BUSINESS ADDRESS OF THE PARTIES OF
20 THE CONTRACT;

21 (II) A SUMMARY OF THE GOODS AND SERVICES TO BE
22 PROVIDED UNDER THE CONTRACT; AND

23 (III) THE MAXIMUM AMOUNT OF MONEYS FROM THE FUND
24 THAT MAY BE OBLIGATED BY THE CONTRACT.

25 **9-20B-06.**

26 (A) THERE IS A STRATEGIC ENERGY INVESTMENT ADVISORY BOARD.

27 (B) (1) THE BOARD SHALL REVIEW THE PROGRAM AND THE
28 ADMINISTRATION'S PROPOSED USES OF AND EXPENDITURES FROM THE FUND
29 AND MAKE RECOMMENDATIONS TO THE ADMINISTRATION CONCERNING ANY
30 PROPOSED USE OR EXPENDITURE.

1 **(2) THE ADMINISTRATION SHALL CONSIDER THE BOARD'S**
2 **RECOMMENDATIONS WHEN MAKING DECISIONS ABOUT USES AND**
3 **EXPENDITURES FROM THE FUND.**

4 **(C) THE BOARD CONSISTS OF THE FOLLOWING MEMBERS:**

5 **(1) ONE MEMBER OF THE SENATE, APPOINTED BY THE**
6 **PRESIDENT OF THE SENATE;**

7 **(2) ONE MEMBER OF THE HOUSE OF DELEGATES, APPOINTED BY**
8 **THE SPEAKER OF THE HOUSE OF DELEGATES;**

9 **(3) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:**

10 **(I) TWO REPRESENTATIVES OF MARYLAND RESIDENTIAL**
11 **CUSTOMERS;**

12 **(II) A REPRESENTATIVE OF MARYLAND COMMERCIAL**
13 **CUSTOMERS;**

14 **(III) A REPRESENTATIVE OF LARGE ELECTRICITY USERS IN**
15 **THE STATE;**

16 **(IV) A REPRESENTATIVE OF AN ELECTRIC COMPANY;**

17 **(V) A REPRESENTATIVE OF AN ELECTRIC COOPERATIVE;**

18 **(VI) A REPRESENTATIVE OF ELECTRICITY SUPPLIERS;**

19 **(VII) A REPRESENTATIVE OF A MARYLAND ENVIRONMENTAL**
20 **GROUP; AND**

21 **(VIII) A REPRESENTATIVE OF A RENEWABLE ELECTRICITY**
22 **INDUSTRY; AND**

23 **(4) THE FOLLOWING NONVOTING EX OFFICIO MEMBERS:**

24 **(I) THE CHAIRMAN OF THE PUBLIC SERVICE COMMISSION**
25 **OR THE CHAIRMAN'S DESIGNEE;**

26 **(II) THE PEOPLE'S COUNSEL OR THE DESIGNEE OF THE**
27 **PEOPLE'S COUNSEL; AND**

28 **(III) THE SECRETARY OF THE ENVIRONMENT OR THE**
29 **SECRETARY'S DESIGNEE.**

1 **(D) IF A REGULATED LOBBYIST IS APPOINTED TO SERVE AS A MEMBER**
2 **OF THE BOARD, THE LOBBYIST:**

3 **(1) IS NOT SUBJECT TO § 15-504(D) OF THIS ARTICLE WITH**
4 **RESPECT TO THAT SERVICE; AND**

5 **(2) IS NOT SUBJECT TO § 15-703(F)(3) OF THIS ARTICLE AS A**
6 **RESULT OF THAT SERVICE.**

7 **(E) (1) THE TERM OF A MEMBER APPOINTED BY THE GOVERNOR IS 3**
8 **YEARS.**

9 **(2) THE TERMS OF THE MEMBERS APPOINTED BY THE GOVERNOR**
10 **ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE**
11 **BOARD ON JUNE 1, 2008.**

12 **(3) THE BOARD SHALL MEET AT LEAST TWO TIMES EACH YEAR.**

13 **(4) THE BOARD MAY ACT ONLY BY THE AFFIRMATIVE VOTE OF AT**
14 **LEAST SIX VOTING MEMBERS.**

15 **(5) A MEMBER OF THE BOARD:**

16 **(I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF**
17 **THE BOARD; BUT**

18 **(II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES**
19 **UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE**
20 **STATE BUDGET.**

21 **9-20B-07.**

22 **THE ADMINISTRATION MAY ENTER INTO CONTRACTS WITH THIRD**
23 **PARTIES TO ASSIST IN THE DEVELOPMENT OF PROGRAMS AND PROJECTS THAT**
24 **WILL ADVANCE THE PURPOSES OF THE PROGRAM OR TO ADMINISTER THE**
25 **PROGRAM, INCLUDING CONTRACTS WITH THIRD PARTIES TO MAKE, SERVICE,**
26 **OR SETTLE LOANS AND OTHER ASSISTANCE OR INVESTMENTS MADE THROUGH**
27 **THE PROGRAM.**

28 **~~9-20B-07.~~ 9-20B-08.**

29 **(A) A PERSON MAY NOT KNOWINGLY MAKE OR CAUSE TO BE MADE ANY**
30 **FALSE STATEMENT OR REPORT IN ANY DOCUMENT REQUIRED TO BE FURNISHED**

1 TO THE ADMINISTRATION BY ANY AGREEMENT RELATING TO A GRANT, LOAN,
2 OR OTHER FINANCIAL ASSISTANCE.

3 (B) A PERSON APPLYING FOR A GRANT, LOAN, OR OTHER FINANCIAL
4 ASSISTANCE THROUGH THE PROGRAM MAY NOT KNOWINGLY MAKE OR CAUSE
5 TO BE MADE ANY FALSE STATEMENTS FOR THE PURPOSE OF INFLUENCING ANY
6 ACTION OF THE ADMINISTRATION ON AN APPLICATION OR FOR THE PURPOSE
7 OF INFLUENCING ANY ACTION OF THE ADMINISTRATION AFFECTING ANY
8 GRANT, LOAN, OR OTHER FINANCIAL ASSISTANCE ALREADY PROVIDED.

9 (C) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A
10 MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING
11 \$50,000 OR IMPRISONMENT NOT EXCEEDING 1 YEAR OR BOTH.

12 **9-20B-09.**

13 (A) ON OR BEFORE SEPTEMBER 1, 2008, THE ADMINISTRATION SHALL
14 DEVELOP A PLAN FOR EXPENDITURES FROM THE FUND FOR FISCAL YEAR 2009
15 AND FISCAL YEAR 2010.

16 (B) ON OR BEFORE SEPTEMBER 1, 2009, AND EVERY 3 YEARS
17 THEREAFTER, THE ADMINISTRATION SHALL DEVELOP A PLAN FOR
18 EXPENDITURES COVERING THE NEXT 3 FISCAL YEARS.

19 (C) (1) THE ADMINISTRATION SHALL HOLD ONE OR MORE PUBLIC
20 MEETINGS IN CONJUNCTION WITH THE DEVELOPMENT OF A PLAN.

21 (2) THE ADMINISTRATION:

22 (I) SHALL HOLD AT LEAST FOUR PUBLIC MEETINGS ACROSS
23 THE STATE DURING THE DEVELOPMENT OF THE INITIAL PLAN THAT IS DUE ON
24 SEPTEMBER 1, 2008, IN THE EASTERN, SOUTHERN, CENTRAL, AND WESTERN
25 PARTS OF THE STATE, RESPECTIVELY; AND

26 (II) IS ENCOURAGED TO SOLICIT INPUT FROM ALL REGIONS
27 OF THE STATE IN DEVELOPING SUBSEQUENT PLANS UNDER THIS SECTION.

28 **9-20B-10.**

29 (A) ON OR BEFORE NOVEMBER 1 OF EACH YEAR, THE ADMINISTRATION
30 SHALL REPORT, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT
31 ARTICLE, TO THE GENERAL ASSEMBLY ON THE EXPENDITURES OF THE FUND
32 FROM THE PRIOR FISCAL YEAR.

33 (B) THE REPORT SHALL INCLUDE:

1 ~~[(3)] (4)~~ If the Regional Greenhouse Gas Initiative expires and there
2 is a successor organization with the same purposes and goals, the Governor is
3 encouraged to join the State in the successor organization.

4 **(5) NOTWITHSTANDING § 2-107 OF THIS TITLE, ALL OF THE**
5 **PROCEEDS FROM THE SALE OF MARYLAND ALLOWANCES UNDER THE**
6 **REGIONAL GREENHOUSE GAS INITIATIVE SHALL BE DEPOSITED IN THE**
7 **MARYLAND STRATEGIC ENERGY INVESTMENT FUND UNDER § 9-20B-05 OF**
8 **THE STATE GOVERNMENT ARTICLE.**

9 ~~[(4)] (6)~~ If the State's participation in the Regional Greenhouse Gas
10 Initiative ceases for any reason, the Governor shall report to the General Assembly, in
11 accordance with § 2-1246 of the State Government Article, regarding:

12 (i) Why participation ceased; and

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

16 SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Strategic
17 Energy Investment Fund is the successor to the Maryland Renewable Energy Fund
18 and any moneys remaining in the Maryland Renewable Energy Fund on the effective
19 date of this Act shall be transferred by the State Treasurer to the Maryland Strategic
20 Energy Investment Fund.

21 SECTION 3. AND BE IT FURTHER ENACTED, That the initial terms of
22 members of the Strategic Energy Investment Advisory Board appointed by the
23 Governor under § 9-20B-06(c)(3) of the State Government Article, as enacted by this
24 Act, expire as follows:

25 (1) 3 members on June 30, 2010;

26 (2) 3 members on June 30, 2011; and

27 (3) 3 members on June 30, 2012.

28 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take
29 effect ~~July~~ June 1, 2008.