By: Delegate Barve and the Speaker (By Request – Administration) and Delegates Ali, Barkley, Barnes, Beidle, Benson, Bobo, Branch, Bronrott, Cane, Cardin, Carr, V. Clagett, Feldman, Frick, Frush, Gaines, Gilchrist, Gutierrez, Guzzone, Healey, Hecht, Holmes, Howard, Hubbard, Hucker, Ivey, Kaiser, Kramer, Lafferty, Lee, Levi, Levy, Malone, Manno, McIntosh, Mizeur, Montgomery, Morhaim, Niemann, Pena-Melnyk, Pendergrass, Ramirez, Reznik, Rosenberg, Ross, Schuler, Stein, Stukes, Taylor, F. Turner, V. Turner, Valderrama, Vaughn, and Waldstreicher Waldstreicher, Braveboy, Burns, Davis, Glenn, Harrison, Jameson, Kirk, Love, Mathias, McHale, and Rudolph

Introduced and read first time: January 29, 2009 Assigned to: Economic Matters and Environmental Matters

Committee Report: Favorable with amendments House action: Adopted with floor amendments Read second time: March 23, 2009

CHAPTER _____

- 1 AN ACT concerning
- $\mathbf{2}$

Greenhouse Gas Emissions Reduction Act of 2009

3 FOR the purpose of setting forth certain findings of the General Assembly; requiring 4 the Department of the Environment to publish and update certain inventories 5 based on certain measures on or before certain dates; requiring the State to 6 reduce greenhouse gas emissions by a certain amount by a certain date and to 7 develop a certain plan, adopt certain regulations, and implement certain 8 programs that reduce greenhouse gas emissions; requiring the Department to 9 submit a proposed plan to the Governor and the General Assembly on or before 10 a certain date; requiring the Department to make the plan available to the 11 public; requiring the Department to convene a series of public workshops for 12comment on the plan; requiring the Department to adopt a final plan in 13 accordance with certain requirements on or before a certain date; requiring the 14 Department to consult with State and local agencies under certain 15circumstances; prohibiting State agencies from adopting certain regulations; requiring the Department to take certain actions as it develops and implements 16 17the plan in a certain manner; requiring an institution of higher education in the

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.



M3

1	State to conduct a certain study and submit it to the Governor and the General
2	Assembly on or before a certain date; requiring the Governor to appoint a
3	certain task force consisting of certain representatives to oversee the study;
4	requiring that, to the extent practicable, the members appointed to the task
5	force reflect the geographic, racial, and gender diversity of the State;
6	authorizing certain greenhouse gas emissions sources to receive certain credits
7	under certain circumstances; requiring the Department to submit a certain
8	report to the Governor and the General Assembly in accordance with certain
9	requirements on or before a certain date; authorizing the General Assembly to
10	maintain, revise, or eliminate certain greenhouse gas emissions reduction
11	requirements under certain circumstances; requiring the Department to
12	monitor the implementation of a certain plan and to submit certain reports to
13	the Governor and the General Assembly on or before certain dates; requiring
14	the Department to include certain agencies and entities in certain discussions
15	<u>regarding certain matters;</u> defining certain terms; making the provisions of this
16	Act severable; providing for the correction of certain errors and obsolete
17	provisions by the publishers of the Annotated Code; providing for the
18	termination of a certain provision of this Act; and generally relating to the
19	reduction of greenhouse gas emissions.
20	BY adding to
$\frac{1}{21}$	Article – Environment
22	Section 2–1201 through 2–1211 to be under the new subtitle "Subtitle 12.
23	Greenhouse Gas Emissions Reductions"
$\frac{1}{24}$	Annotated Code of Maryland

- 24 Annotated Code of Maryland
- 25 (2007 Replacement Volume and 2008 Supplement)
- 26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 27 MARYLAND, That the Laws of Maryland read as follows:
- 28**Article – Environment** 29 SUBTITLE 12. GREENHOUSE GAS EMISSIONS REDUCTIONS. 30 2-1201. 31THE GENERAL ASSEMBLY FINDS THAT: 32(1) **GREENHOUSE GASES ARE AIR POLLUTANTS THAT THREATEN** 33 TO ENDANGER THE PUBLIC HEALTH AND WELFARE OF THE PEOPLE OF 34**MARYLAND;** 35(2) **GLOBAL WARMING POSES A SERIOUS THREAT TO THE STATE'S** 36 FUTURE HEALTH, WELL-BEING, AND PROSPERITY; 37 (3)

37 (3) WITH 3,100 MILES OF TIDALLY INFLUENCED SHORELINE,
 38 MARYLAND IS VULNERABLE TO THE THREAT POSED BY GLOBAL WARMING AND

1 SUSCEPTIBLE TO RISING SEA LEVELS AND FLOODING, WHICH WOULD HAVE 2 DETRIMENTAL AND COSTLY EFFECTS;

3 THE STATE HAS THE INGENUITY TO REDUCE THE THREAT OF (4) 4 GLOBAL WARMING AND MAKE GREENHOUSE GAS REDUCTIONS A PART OF THE 5 STATE'S FUTURE BY ACHIEVING A 25% REDUCTION IN GREENHOUSE GAS 6 EMISSIONS FROM 2006 LEVELS BY 2020 AND BY PREPARING A PLAN TO MEET A 7 LONGER-TERM GOAL OF REDUCING GREENHOUSE GAS EMISSIONS BY UP TO 8 90% FROM 2006 LEVELS BY 2050 IN A MANNER THAT PROMOTES NEW "GREEN" 9 JOBS, AND PROTECTS EXISTING JOBS AND THE STATE'S ECONOMIC 10 WELL-BEING;

(5) STUDIES HAVE SHOWN THAT ENERGY EFFICIENCY PROGRAMS
 AND TECHNOLOGICAL INITIATIVES CONSISTENT WITH THE GOAL OF REDUCING
 GREENHOUSE GAS EMISSIONS CAN RESULT IN A NET ECONOMIC BENEFIT TO
 THE STATE;

(6) IN ADDITION TO ACHIEVING THE REDUCTION ESTABLISHED
UNDER THIS SUBTITLE, IT IS IN THE BEST INTEREST OF THE STATE TO ACT
EARLY AND AGGRESSIVELY TO ACHIEVE THE MARYLAND COMMISSION ON
CLIMATE CHANGE'S RECOMMENDED GOALS OF REDUCING GREENHOUSE GAS
EMISSIONS BY 10% FROM 2006 LEVELS BY 2012 AND BY 15% FROM 2006 LEVELS
BY 2015;

(7) WHILE REDUCTIONS OF HARMFUL GREENHOUSE GAS
 EMISSIONS ARE ONE PART OF THE SOLUTION, THE STATE SHOULD FOCUS ON
 DEVELOPING AND UTILIZING CLEAN ENERGIES THAT PROVIDE GREATER
 ENERGY EFFICIENCY AND CONSERVATION, SUCH AS RENEWABLE ENERGY FROM
 WIND, SOLAR, GEOTHERMAL, AND BIOENERGY SOURCES;

(8) IT IS NECESSARY TO PROTECT THE PUBLIC HEALTH,
ECONOMIC WELL-BEING, AND NATURAL TREASURES OF THE STATE BY
REDUCING HARMFUL AIR POLLUTANTS SUCH AS GREENHOUSE GAS EMISSIONS
BY USING PRACTICAL SOLUTIONS THAT ARE ALREADY AT THE STATE'S
DISPOSAL;

31(9)CAP AND TRADE REGULATION OF GREENHOUSE GAS32EMISSIONS IS MOST EFFECTIVE WHEN IMPLEMENTED ON A FEDERAL LEVEL;

(10) BECAUSE OF THE NEED TO REMAIN COMPETITIVE WITH
 MANUFACTURERS LOCATED IN OTHER STATES OR COUNTRIES AND TO
 PRESERVE EXISTING MANUFACTURING JOBS IN THE STATE, GREENHOUSE GAS
 EMISSIONS FROM THE MANUFACTURING SECTOR ARE MOST EFFECTIVELY
 REGULATED ON A NATIONAL AND INTERNATIONAL LEVEL; AND

1 (11) BECAUSE OF THE NEED TO REMAIN COMPETITIVE WITH 2 OTHER STATES, GREENHOUSE GAS EMISSIONS FROM CERTAIN OTHER 3 COMMERCIAL AND SERVICE SECTORS, INCLUDING FREIGHT CARRIERS AND 4 GENERATORS OF ELECTRICITY, ARE MOST EFFECTIVELY REGULATED ON A 5 NATIONAL LEVEL.

6 **2–1202.**

7 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS 8 INDICATED.

9 (B) "ALTERNATIVE COMPLIANCE MECHANISM" MEANS AN ACTION 10 AUTHORIZED BY REGULATIONS ADOPTED BY THE DEPARTMENT THAT ACHIEVES 11 THE EQUIVALENT REDUCTION OF GREENHOUSE GAS EMISSIONS OVER THE 12 SAME PERIOD AS A DIRECT EMISSIONS REDUCTION.

13 (C) "CARBON DIOXIDE EQUIVALENT" MEANS THE MEASUREMENT OF A
 14 GIVEN WEIGHT OF A GREENHOUSE GAS THAT HAS THE SAME GLOBAL WARMING
 15 POTENTIAL, MEASURED OVER A SPECIFIED PERIOD OF TIME, AS ONE METRIC
 16 TON OF CARBON DIOXIDE.

17(D) "DIRECT EMISSIONS REDUCTION" MEANS A REDUCTION OF18GREENHOUSE GAS EMISSIONS FROM A GREENHOUSE GAS EMISSIONS SOURCE.

(E) "GREENHOUSE GAS" INCLUDES CARBON DIOXIDE, METHANE,
 NITROUS OXIDE, HYDROFLUOROCARBONS, PERFLUOROCARBONS, AND SULFUR
 HEXAFLUORIDE.

(F) "GREENHOUSE GAS EMISSIONS SOURCE" MEANS A SOURCE OR
 CATEGORY OF SOURCES OF GREENHOUSE GAS EMISSIONS THAT HAVE
 EMISSIONS OF GREENHOUSE GASES THAT ARE SUBJECT TO REPORTING
 REQUIREMENTS OR OTHER PROVISIONS OF THIS SUBTITLE, AS DETERMINED BY
 THE DEPARTMENT.

(G) "LEAKAGE" MEANS A REDUCTION IN GREENHOUSE GAS EMISSIONS
WITHIN THE STATE THAT IS OFFSET BY A CORRESPONDING INCREASE IN
GREENHOUSE GAS EMISSIONS FROM A GREENHOUSE GAS EMISSIONS SOURCE
LOCATED OUTSIDE THE STATE THAT IS NOT SUBJECT TO A SIMILAR STATE,
INTERSTATE, OR REGIONAL GREENHOUSE GAS EMISSIONS CAP OR LIMITATION.

(H) (1) "MANUFACTURING" MEANS THE PROCESS OF SUBSTANTIALLY
 TRANSFORMING, OR A SUBSTANTIAL STEP IN THE PROCESS OF SUBSTANTIALLY
 TRANSFORMING, TANGIBLE PERSONAL PROPERTY INTO A NEW AND DIFFERENT

4

$\frac{1}{2}$	ARTICLE OF TANGIBLE PERSONAL PROPERTY BY THE USE OF LABOR OR MACHINERY.
$3 \\ 4 \\ 5$	(2) "MANUFACTURING", WHEN PERFORMED BY COMPANIES PRIMARILY ENGAGED IN THE ACTIVITIES DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, INCLUDES:
6 7	(I) THE OPERATION OF SAW MILLS, GRAIN MILLS, OR FEED MILLS;
8 9 10	(II) THE OPERATION OF MACHINERY AND EQUIPMENT USED TO EXTRACT AND PROCESS MINERALS, METALS, OR EARTHEN MATERIALS OR BY–PRODUCTS THAT RESULT FROM THE EXTRACTING OR PROCESSING; AND
11	(III) RESEARCH AND DEVELOPMENT ACTIVITIES.
12	(3) "MANUFACTURING" DOES NOT INCLUDE:
13	(I) ACTIVITIES THAT ARE PRIMARILY A SERVICE;
$\begin{array}{c} 14 \\ 15 \end{array}$	(II) ACTIVITIES THAT ARE INTELLECTUAL, ARTISTIC, OR CLERICAL IN NATURE;
$\begin{array}{c} 16 \\ 17 \end{array}$	(III) PUBLIC UTILITY SERVICES, INCLUDING GAS, ELECTRIC, WATER, AND STEAM PRODUCTION SERVICES; OR
18 19	(IV) ANY OTHER ACTIVITY THAT WOULD NOT COMMONLY BE CONSIDERED AS MANUFACTURING.
20 21 22 23 24 25 26	(I) "STATEWIDE GREENHOUSE GAS EMISSIONS" MEANS THE TOTAL ANNUAL EMISSIONS OF GREENHOUSE GASES IN THE STATE, MEASURED IN METRIC TONS OF CARBON DIOXIDE EQUIVALENTS, INCLUDING ALL EMISSIONS OF GREENHOUSE GASES FROM THE GENERATION OF ELECTRICITY DELIVERED TO AND CONSUMED IN THE STATE, AND LINE LOSSES FROM THE TRANSMISSION AND DISTRIBUTION OF ELECTRICITY, WHETHER THE ELECTRICITY IS GENERATED IN-STATE OR IMPORTED.
27 28	(A) ON OR BEFORE JUNE 1, 2011, THE DEPARTMENT SHALL PUBLISH:

29 (1) AN INVENTORY OF STATEWIDE GREENHOUSE GAS EMISSIONS
 30 FOR CALENDAR YEAR 2006; AND

1 (2) BASED ON EXISTING GREENHOUSE GAS EMISSIONS CONTROL 2 MEASURES, A PROJECTED "BUSINESS AS USUAL" INVENTORY FOR CALENDAR 3 YEAR 2020.

4 (B) THE DEPARTMENT SHALL REVIEW AND PUBLISH AN UPDATED
5 STATEWIDE GREENHOUSE GAS EMISSIONS INVENTORY FOR CALENDAR YEAR
6 2011 AND FOR EVERY THIRD CALENDAR YEAR THEREAFTER.

7 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland 8 read as follows:

9

Article – Environment

10 **2–1204.**

11THE STATE SHALL REDUCE STATEWIDE GREENHOUSE GAS EMISSIONS BY1225% FROM 2006 LEVELS BY 2020.

13 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 14 read as follows:

15

Article – Environment

16 **2–1205.**

17 (A) THE STATE SHALL DEVELOP A PLAN, ADOPT REGULATIONS, AND 18 IMPLEMENT PROGRAMS THAT REDUCE STATEWIDE GREENHOUSE GAS 19 EMISSIONS IN ACCORDANCE WITH THIS SUBTITLE.

20 (B) ON OR BEFORE DECEMBER 31, 2011, THE DEPARTMENT SHALL:

21 (1) SUBMIT A PROPOSED PLAN TO THE GOVERNOR AND GENERAL
 22 ASSEMBLY;

23 (2) MAKE THE PROPOSED PLAN AVAILABLE TO THE PUBLIC; AND

24 (3) CONVENE A SERIES OF PUBLIC WORKSHOPS TO PROVIDE
 25 INTERESTED PARTIES WITH AN OPPORTUNITY TO COMMENT ON THE PROPOSED
 26 PLAN.

(C) (1) THE DEPARTMENT SHALL, ON OR BEFORE DECEMBER 31,
 28 2012, ADOPT A FINAL PLAN THAT REDUCES STATEWIDE GREENHOUSE GAS
 29 EMISSIONS BY 25% FROM 2006 LEVELS BY 2020.

1 (2) THE PLAN SHALL BE DEVELOPED AS THE INITIAL STATE 2 ACTION IN RECOGNITION OF THE FINDING BY THE INTERGOVERNMENTAL 3 PANEL ON CLIMATE CHANGE THAT DEVELOPED COUNTRIES WILL NEED TO 4 REDUCE GREENHOUSE GAS EMISSIONS BY BETWEEN 80% AND 95% FROM 1990 5 LEVELS BY 2050.

6 (D) THE FINAL PLAN REQUIRED UNDER SUBSECTION (C) OF THIS 7 SECTION SHALL INCLUDE:

8 (1) ADOPTED REGULATIONS THAT IMPLEMENT ALL PLAN 9 MEASURES FOR WHICH STATE AGENCIES HAVE EXISTING STATUTORY 10 AUTHORITY; AND

11 (2) A SUMMARY OF ANY NEW LEGISLATIVE AUTHORITY NEEDED
 12 TO FULLY IMPLEMENT THE PLAN AND A TIMELINE FOR SEEKING LEGISLATIVE
 13 AUTHORITY.

(E) IN DEVELOPING AND ADOPTING A FINAL PLAN TO REDUCE
 STATEWIDE GREENHOUSE GAS EMISSIONS, THE DEPARTMENT SHALL CONSULT
 WITH STATE AND LOCAL AGENCIES AS APPROPRIATE.

(F) (1) UNLESS REQUIRED BY FEDERAL LAW OR REGULATIONS OR
 EXISTING STATE LAW, REGULATIONS ADOPTED BY STATE AGENCIES TO
 IMPLEMENT THE FINAL PLAN MAY NOT:

20(I)REQUIRE GREENHOUSE GAS EMISSIONS REDUCTIONS21FROM THE STATE'S MANUFACTURING SECTOR; OR

(II) CAUSE A SIGNIFICANT INCREASE IN COSTS TO THE
 STATE'S MANUFACTURING SECTOR.

24(2)PARAGRAPH(1)OFTHISSUBSECTIONMAYNOTBE25CONSTRUED TO EXEMPT GREENHOUSE GAS EMISSIONS SOURCES IN THE26STATE'S MANUFACTURING SECTOR FROM THE OBLIGATION TO COMPLY WITH:

(I) GREENHOUSE GAS EMISSIONS MONITORING,
 RECORDKEEPING, AND REPORTING REQUIREMENTS FOR WHICH THE
 DEPARTMENT HAD EXISTING AUTHORITY UNDER § 2–301(A) OF THIS TITLE ON
 OR BEFORE OCTOBER 1, 2009; OR

(II) GREENHOUSE GAS EMISSIONS REDUCTIONS REQUIRED
 OF THE MANUFACTURING SECTOR AS A RESULT OF THE STATE'S
 IMPLEMENTATION OF THE REGIONAL GREENHOUSE GAS INITIATIVE.

1 (G) A REGULATION ADOPTED BY A STATE AGENCY FOR THE PURPOSE 2 OF REDUCING GREENHOUSE GAS EMISSIONS IN ACCORDANCE WITH THIS 3 SECTION MAY NOT BE CONSTRUED TO RESULT IN A SIGNIFICANT INCREASE IN 4 COSTS TO THE STATE'S MANUFACTURING SECTOR UNLESS THE SOURCE WOULD 5 NOT INCUR THE COST INCREASE BUT FOR THE NEW REGULATION.

6 **2–1206.**

IN DEVELOPING AND IMPLEMENTING THE PLAN REQUIRED BY § 2–1205
 OF THIS SUBTITLE, THE DEPARTMENT SHALL:

9 (1) ANALYZE THE FEASIBILITY OF MEASURES TO COMPLY WITH 10 THE GREENHOUSE GAS EMISSIONS REDUCTIONS REQUIRED BY THIS SUBTITLE;

 11
 (2)
 CONSIDER THE IMPACT ON RURAL COMMUNITIES OF ANY

 12
 TRANSPORTATION RELATED MEASURES PROPOSED IN THE PLAN;

13 (2) (3) PROVIDE THAT A GREENHOUSE GAS EMISSIONS SOURCE
 14 THAT VOLUNTARILY REDUCES ITS GREENHOUSE GAS EMISSIONS BEFORE THE
 15 IMPLEMENTATION OF THIS SUBTITLE SHALL RECEIVE APPROPRIATE CREDIT
 16 FOR ITS EARLY VOLUNTARY ACTIONS;

17 (3) (4) PROVIDE FOR THE USE OF OFFSET CREDITS 18 GENERATED BY ALTERNATIVE COMPLIANCE MECHANISMS EXECUTED WITHIN 19 THE STATE, INCLUDING CARBON SEQUESTRATION PROJECTS, TO ACHIEVE 20 COMPLIANCE WITH GREENHOUSE GAS EMISSIONS REDUCTIONS REQUIRED BY 21 THIS SUBTITLE;

22(4) (5)ENSURE THAT THE PLAN DOES NOT DECREASE THE23LIKELIHOOD OF RELIABLE AND AFFORDABLE ELECTRICAL SERVICE AND24STATEWIDE FUEL SUPPLIES; AND

25(6)CONSIDER WHETHER THE MEASURES WOULD RESULT IN AN26INCREASE IN ELECTRICITY COSTS TO CONSUMERS IN THE STATE;

27(7)CONSIDER THE IMPACT OF THE PLAN ON THE ABILITY OF THE28STATE TO:

29(I)ATTRACT, EXPAND, AND RETAIN COMMERCIAL30AVIATION SERVICES; AND

31 (II) CONSERVE, PROTECT, AND RETAIN AGRICULTURE; AND

32 (5) (7) (8) ENSURE THAT THE GREENHOUSE GAS EMISSIONS
 33 REDUCTION MEASURES IMPLEMENTED IN ACCORDANCE WITH THE PLAN:

1 **(I)** ARE IMPLEMENTED IN AN EFFICIENT AND 2 **COST-EFFECTIVE MANNER:** 3 (II) DO NOT DISPROPORTIONATELY IMPACT RURAL OR 4 LOW-INCOME, LOW- TO MODERATE-INCOME, OR MINORITY COMMUNITIES OR $\mathbf{5}$ ANY OTHER PARTICULAR CLASS OF ELECTRICITY RATEPAYERS: 6 (III) MINIMIZE LEAKAGE; 7 (IV) ARE QUANTIFIABLE, VERIFIABLE, AND ENFORCEABLE; 8 **(V)** DIRECTLY CAUSE NO LOSS OF EXISTING JOBS IN THE 9 MANUFACTURING SECTOR; 10 (VI) PRODUCE A NET ECONOMIC BENEFIT TO THE STATE'S 11 ECONOMY AND A NET INCREASE IN JOBS IN THE STATE; AND 12(VII) ENCOURAGE NEW EMPLOYMENT OPPORTUNITIES IN 13 THE STATE RELATED TO ENERGY CONSERVATION, ALTERNATIVE ENERGY 14 SUPPLY, AND GREENHOUSE GAS EMISSIONS REDUCTION TECHNOLOGIES. 152 - 1207.16 (A) (1) AN INSTITUTION OF HIGHER EDUCATION IN THE STATE 17SHALL CONDUCT AN INDEPENDENT STUDY OF THE ECONOMIC IMPACT OF 18 **REQUIRING GREENHOUSE GAS EMISSIONS REDUCTIONS FROM THE STATE'S** 19 MANUFACTURING SECTOR. 20 (2) THE GOVERNOR SHALL APPOINT A TASK FORCE TO OVERSEE 21THE INDEPENDENT STUDY REQUIRED BY THIS SECTION. 22(3) THE TASK FORCE SHALL INCLUDE REPRESENTATIVES OF: 23**(I)** LABOR UNIONS; 24(II) **AFFECTED INDUSTRIES AND BUSINESSES;** 25(III) **ENVIRONMENTAL ORGANIZATIONS; AND** 26(IV) LOW-INCOME AND MINORITY COMMUNITIES. 27(4) TO THE EXTENT PRACTICABLE, THE MEMBERS APPOINTED TO 28THE TASK FORCE SHALL REPRESENT THE GEOGRAPHIC, RACIAL, AND GENDER 29 **DIVERSITY OF THE STATE.**

1 (B) ON OR BEFORE OCTOBER 1, 2015, THE INSTITUTION OF HIGHER 2 EDUCATION RESPONSIBLE FOR THE INDEPENDENT STUDY SHALL COMPLETE 3 AND SUBMIT THE STUDY TO THE GOVERNOR AND, IN ACCORDANCE WITH § 4 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

5 **2–1208.**

6 (A) A GREENHOUSE GAS EMISSIONS SOURCE IN THE STATE'S 7 MANUFACTURING SECTOR THAT IMPLEMENTS A VOLUNTARY GREENHOUSE GAS 8 EMISSIONS REDUCTION PLAN THAT IS APPROVED BY THE DEPARTMENT ON OR 9 BEFORE JANUARY 1, 2012, MAY BE ELIGIBLE TO RECEIVE VOLUNTARY EARLY 10 ACTION CREDITS UNDER ANY FUTURE STATE LAW REQUIRING GREENHOUSE 11 GAS EMISSIONS REDUCTIONS FROM THE MANUFACTURING SECTOR.

12(B) A VOLUNTARY GREENHOUSE GAS EMISSIONS REDUCTION PLAN MAY13INCLUDE MEASURES TO:

14(1) REDUCE ENERGY USE AND INCREASE PROCESS EFFICIENCY;15AND

16(2) FACILITATE INDUSTRY-WIDE RESEARCH AND DEVELOPMENT17DIRECTED TOWARD FUTURE MEASURES TO REDUCE GREENHOUSE GAS18EMISSIONS.

19 **2–1209.**

(A) ON OR BEFORE OCTOBER 1, 2015, THE DEPARTMENT SHALL
 SUBMIT A REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF
 THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY THAT INCLUDES:

(1) A SUMMARY OF THE STATE'S PROGRESS TOWARD ACHIEVING
 THE 2020 EMISSIONS REDUCTION REQUIRED BY THE PLAN UNDER § 2–1205 OF
 THIS SUBTITLE;

26(2) AN UPDATE ON EMERGING TECHNOLOGIES TO REDUCE27GREENHOUSE GAS EMISSIONS;

28(3) A REVIEW OF THE BEST AVAILABLE SCIENCE, INCLUDING 29UPDATES BY THE INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE, 30 REGARDING THE LEVEL AND PACE OF GREENHOUSE GAS EMISSIONS 31REDUCTIONS AND SEQUESTRATION NEEDED ТО AVOID DANGEROUS 32ANTHROPOGENIC CHANGES TO THE EARTH'S CLIMATE SYSTEM;

1(4) RECOMMENDATIONS ON THE NEED FOR SCIENCE-BASED2ADJUSTMENTS TO THE REQUIREMENT TO REDUCE STATEWIDE GREENHOUSE3GAS EMISSIONS BY 25% BY 2020;

4 (5) A SUMMARY OF ADDITIONAL OR REVISED REGULATIONS, 5 CONTROL PROGRAMS, OR INCENTIVES THAT ARE NECESSARY TO ACHIEVE THE 6 25% REDUCTION IN STATEWIDE GREENHOUSE GAS EMISSIONS REQUIRED 7 UNDER THIS SUBTITLE, OR A REVISED REDUCTION RECOMMENDED IN 8 ACCORDANCE WITH ITEM (4) OF THIS SUBSECTION;

9 (6) THE STATUS OF ANY FEDERAL PROGRAM TO REDUCE 10 GREENHOUSE GAS EMISSIONS AND ANY TRANSITION BY THE STATE FROM ITS 11 PARTICIPATION IN THE REGIONAL GREENHOUSE GAS INITIATIVE TO A 12 COMPARABLE FEDERAL CAP AND TRADE PROGRAM; AND

(7) AN ANALYSIS OF THE OVERALL ECONOMIC COSTS AND
BENEFITS TO THE STATE'S ECONOMY, ENVIRONMENT, AND PUBLIC HEALTH OF
A CONTINUATION OR MODIFICATION OF THE REQUIREMENT TO ACHIEVE A
REDUCTION OF 25% IN STATEWIDE GREENHOUSE GAS EMISSIONS BY 2020,
INCLUDING REDUCTIONS IN OTHER AIR POLLUTANTS, DIVERSIFICATION OF
ENERGY SOURCES, THE IMPACT ON EXISTING JOBS, THE CREATION OF NEW
JOBS, AND EXPANSION OF THE STATE'S LOW CARBON ECONOMY.

(B) THE REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION
 SHALL BE SUBJECT TO A PUBLIC COMMENT AND HEARING PROCESS
 CONDUCTED BY THE DEPARTMENT.

23 **2–1210.**

ON REVIEW OF THE STUDY REQUIRED UNDER § 2–1207 OF THIS SUBTITLE,
 AND THE REPORT REQUIRED UNDER § 2–1209 OF THIS SUBTITLE, THE GENERAL
 ASSEMBLY MAY ACT TO MAINTAIN, REVISE, OR ELIMINATE THE 25%
 GREENHOUSE GAS EMISSIONS REDUCTION REQUIRED UNDER THIS SUBTITLE.

28 **2–1211.**

THE DEPARTMENT SHALL MONITOR IMPLEMENTATION OF THE PLAN REQUIRED UNDER § 2–1205 OF THIS SUBTITLE AND SHALL SUBMIT A REPORT, ON OR BEFORE OCTOBER 1, 2020, AND EVERY 5 YEARS THEREAFTER, TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY THAT DESCRIBES THE STATE'S PROGRESS TOWARD ACHIEVING:

1(1) THE REDUCTION IN GREENHOUSE GAS EMISSIONS REQUIRED2UNDER THIS SUBTITLE, OR ANY REVISIONS CONDUCTED IN ACCORDANCE WITH §32-1210 OF THIS SUBTITLE; AND

4 (2) THE GREENHOUSE GAS EMISSIONS REDUCTIONS NEEDED BY 5 2050 IN ORDER TO AVOID DANGEROUS ANTHROPOGENIC CHANGES TO THE 6 EARTH'S CLIMATE SYSTEM, BASED ON THE PREDOMINANT VIEW OF THE 7 SCIENTIFIC COMMUNITY AT THE TIME OF THE LATEST REPORT.

8 <u>SECTION 4. AND BE IT FURTHER ENACTED, That during the process</u> 9 <u>outlined in § 2–1205(a) of the Environment Article, as enacted by Section 3 of this Act,</u> 10 <u>the Department of the Environment shall include the Department of Agriculture, the</u> 11 <u>Maryland Farm Bureau, the Maryland Association of Soil Conservation Districts, the</u> 12 <u>Delmarva Poultry Industry, the Maryland Dairy Industry Association, and the</u> 13 <u>Maryland Agricultural Commission in discussions on the role to be played by</u> 14 <u>agriculture to reduce greenhouse gas emissions.</u>

15 SECTION 4. 5. AND BE IT FURTHER ENACTED, That if any provision of this 16 Act or the application thereof to any person or circumstance is held invalid for any 17 reason in a court of competent jurisdiction, the invalidity does not affect other 18 provisions or any other application of this Act which can be given effect without the 19 invalid provision or application, and for this purpose the provisions of this Act are 20 declared severable.

SECTION 5. 6. AND BE IT FURTHER ENACTED, That any reference in the Annotated Code of Maryland rendered incorrect or obsolete by the provisions of Section 6 of this Act shall be corrected by the publishers of the Annotated Code, in consultation with and subject to the approval of the Department of Legislative Services, with no further action required by the General Assembly.

SECTION 6. 7. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 2009. It shall remain effective for a period of 7 years and 3 months, and at the end of December 31, 2016, with no further action required by the General Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.

31 SECTION 7. <u>8.</u> AND BE IT FURTHER ENACTED, That, except as provided in
 32 Section § <u>7</u> of this Act, this Act shall take effect October 1, 2009.