

# HOUSE BILL 165

M3, M5, C5  
HB 125/19 – ECM

01r0732

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By: **Delegates Miller, Adams, Arentz, M. Fisher, Howard, and Impallaria**

Introduced and read first time: January 15, 2020

Assigned to: Economic Matters

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## 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 any tax, fee, or other charge  
6 on the installation of a solar electric generating facility; requiring each installer to  
7 pay the fee and to submit a return and remit the fee to the Comptroller on or before  
8 a certain day; establishing a certain credit for an installer who timely files a fee  
9 return and pays the fee; exempting the fee from certain provisions of law under  
10 certain circumstances; requiring the Comptroller to forward a certain portion of the  
11 fees to the Solar Photovoltaic Recycling Fund; applying certain provisions of law  
12 governing the sales and use tax to the administration, collection, and enforcement of  
13 the fee; requiring the Comptroller to administer the fee; authorizing the Comptroller  
14 to 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 State Treasurer to hold the Fund and the  
17 Comptroller to account for the Fund; specifying the contents of the Fund; specifying  
18 the purposes for which the Fund may be used; providing for the investment of money  
19 in and expenditures from the Fund; requiring interest earnings of the Fund to be  
20 credited to the Fund; requiring that a certain percentage of a certain sale price of  
21 each renewable energy credit be deposited into the Fund; exempting the Fund from  
22 a certain provision of law requiring interest earnings on State money to accrue to the  
23 General Fund of the State; defining a certain term; and generally relating to solar  
24 photovoltaic recycling.

25 BY adding to

26 Article – Environment

27 Section 9–1715 and 9–1716

28 Annotated Code of Maryland

29 (2014 Replacement Volume and 2019 Supplement)

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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 2019 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 2019 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 2019 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – State Finance and Procurement  
18 Section 6–226(a)(2)(ii)121. and 122.  
19 Annotated Code of Maryland  
20 (2015 Replacement Volume and 2019 Supplement)

21 BY adding to  
22 Article – State Finance and Procurement  
23 Section 6–226(a)(2)(ii)123.  
24 Annotated Code of Maryland  
25 (2015 Replacement Volume and 2019 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 **9–1715.**

30 **(A) (1) BEGINNING OCTOBER 1, 2020, A PERSON INSTALLING A SOLAR**  
31 **ELECTRIC GENERATING FACILITY IN THE STATE SHALL PAY A SOLAR**  
32 **PHOTOVOLTAIC RECYCLING FEE.**

33 **(2) A COUNTY, A 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 § 9-1716 OF THIS SUBTITLE, LESS THE COSTS OF  
21 ADMINISTRATION.

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

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 9-1716.

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 STATE TREASURER SHALL HOLD THE FUND SEPARATELY,  
13 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

14 (F) THE FUND CONSISTS OF:

15 (1) REVENUE DISTRIBUTED TO THE FUND UNDER § 9-1715 OF THIS  
16 SUBTITLE AND § 7-709 OF THE PUBLIC UTILITIES ARTICLE;

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

18 (3) INTEREST EARNINGS OF THE FUND; AND

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

1 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**  
 2 **THE FUND.**

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

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

9 **Article – Public Utilities**

10 7–709.

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

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

16 **(2) FOR EACH RENEWABLE ENERGY CREDIT THAT IS SOLD, 20% OF**  
 17 **THE FIRST SALE PRICE SHALL BE DEPOSITED INTO THE SOLAR PHOTOVOLTAIC**  
 18 **RECYCLING FUND UNDER § 9–1716 OF THE ENVIRONMENT ARTICLE.**

19 **Article – State Finance and Procurement**

20 6–226.

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

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

29 121. the Markell Hendricks Youth Crime Prevention and  
 30 Diversion Parole Fund; [and]

31 122. the Federal Government Shutdown Employee Assistance  
 32 Loan Fund; AND

1 **123. THE SOLAR PHOTOVOLTAIC RECYCLING FUND.**

2 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
3 October 1, 2020.