

# HOUSE BILL 1426

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CF SB 739

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By: **Delegates Qi, Korman, Barve, Brooks, Crosby, Fraser-Hidalgo, Lierman,  
Queen, Rogers, and Walker**

Introduced and read first time: February 7, 2020

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Advanced Clean Energy and Clean Energy Innovation**  
3 **Investments and Initiatives**

4 FOR the purpose of altering references to the term “clean energy” to be “advanced clean  
5 energy” for purposes of certain provisions of law concerning the Maryland Clean  
6 Energy Center and the Maryland Energy Innovation Institute; altering certain  
7 findings of the General Assembly, the purposes of certain provisions of law  
8 concerning the development of clean energy industries in the State, and the  
9 purposes, powers, and duties of the Center and the Institute to include certain  
10 actions supporting clean energy innovation; authorizing the Center to enter into  
11 certain financing transactions with, on behalf of, or for the benefit of certain State  
12 agencies for certain purposes; requiring the Department of General Services and the  
13 Department of Budget and Management to work with the Center for certain  
14 purposes; requiring the Maryland Technology Development Corporation, the Center,  
15 and the Institute to coordinate with each other in supporting certain technology  
16 companies; requiring the Institute and the Center to implement a certain accelerator  
17 program in a certain manner and to consult with certain State agencies; altering a  
18 certain reporting requirement to include certain information regarding clean energy  
19 innovation in the State; altering the purposes of the Maryland Strategic Energy  
20 Investment Fund to include providing a certain amount of funding each fiscal year  
21 to the Maryland Energy Innovation Fund; specifying the manner in which the funds  
22 may be used; making conforming changes; defining certain terms and altering  
23 certain definitions; and generally relating to the Maryland Clean Energy Center, the  
24 Maryland Energy Innovation Institute, and clean energy.

25 BY renumbering

26 Article – Economic Development

27 Section 10–801(g) through (o), respectively

28 to be Section 10–801(h) through (p), respectively

29 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2018 Replacement Volume and 2019 Supplement)

2 BY repealing and reenacting, without amendments,  
3 Article – Economic Development  
4 Section 9–101(a) and (c), 10–401(a) and (c), 10–402(a), 10–801(a) and (b), 10–806(a)  
5 and (e), 10–807(a), 10–828(a), (c), and (d), 10–829(a), and 10–830(a)  
6 Annotated Code of Maryland  
7 (2018 Replacement Volume and 2019 Supplement)

8 BY adding to  
9 Article – Economic Development  
10 Section 10–402(d), 10–801(c), (g), and (q), and 10–821.1  
11 Annotated Code of Maryland  
12 (2018 Replacement Volume and 2019 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article – Economic Development  
15 Section 10–801(c) through (e) and (p), 10–802, 10–806(d), 10–807(b), 10–820, 10–823,  
16 10–826, 10–829(d), 10–830(b), 10–834, and 10–835  
17 Annotated Code of Maryland  
18 (2018 Replacement Volume and 2019 Supplement)

19 BY repealing  
20 Article – Economic Development  
21 Section 10–801(f)  
22 Annotated Code of Maryland  
23 (2018 Replacement Volume and 2019 Supplement)

24 BY repealing and reenacting, without amendments,  
25 Article – State Government  
26 Section 9–20B–05(a)  
27 Annotated Code of Maryland  
28 (2014 Replacement Volume and 2019 Supplement)

29 BY repealing and reenacting, with amendments,  
30 Article – State Government  
31 Section 9–20B–05(f)(10) and (11)  
32 Annotated Code of Maryland  
33 (2014 Replacement Volume and 2019 Supplement)

34 BY adding to  
35 Article – State Government  
36 Section 9–20B–05(f)(11) and (f–4)  
37 Annotated Code of Maryland  
38 (2014 Replacement Volume and 2019 Supplement)

39 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

1 That Section(s) 10–801(g) through (o), respectively, of Article – Economic Development of  
2 the Annotated Code of Maryland be renumbered to be Section(s) 10–801(h) through (p),  
3 respectively.

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

6 **Article – Economic Development**

7 9–101.

8 (a) In this division the following words have the meanings indicated.

9 (c) “Department” means the Department of Commerce.

10 10–401.

11 (a) In this subtitle the following words have the meanings indicated.

12 (c) “Corporation” means the Maryland Technology Development Corporation.

13 10–402.

14 (a) There is a Maryland Technology Development Corporation.

15 **(D) IN ACCORDANCE WITH § 10–834 OF THIS TITLE, THE CORPORATION AND**  
16 **THE MARYLAND CLEAN ENERGY CENTER SHALL COORDINATE WITH THE**  
17 **MARYLAND ENERGY INNOVATION INSTITUTE IN SUPPORTING MARYLAND–BASED**  
18 **TECHNOLOGY COMPANIES ENGAGED IN CLEAN ENERGY INNOVATION.**

19 10–801.

20 (a) In this subtitle the following words have the meanings indicated.

21 (b) “Administration” means the Maryland Energy Administration.

22 **(C) “ADVANCED CLEAN ENERGY” INCLUDES:**

23 **(1) SOLAR PHOTOVOLTAIC TECHNOLOGY;**

24 **(2) SOLAR HEATING;**

25 **(3) GEOTHERMAL;**

26 **(4) WIND;**

1           **(5) BIOFUELS;**

2           **(6) ETHANOL;**

3           **(7) OTHER QUALIFYING BIOMASS AS DEFINED IN § 7-701 OF THE**  
4 **PUBLIC UTILITIES ARTICLE;**

5           **(8) OCEAN, INCLUDING ENERGY FROM WAVES, TIDES, CURRENTS,**  
6 **AND THERMAL DIFFERENCES;**

7           **(9) A FUEL CELL THAT PRODUCES ENERGY WITH REDUCED**  
8 **GREENHOUSE GAS EMISSIONS AS COMPARED TO CONVENTIONAL TECHNOLOGY;**

9           **(10) ENERGY EFFICIENCY AND CONSERVATION;**

10           **(11) COMBINED HEAT AND POWER;**

11           **(12) ENERGY STORAGE AND BATTERY TECHNOLOGIES;**

12           **(13) GRID MODERNIZATION, INCLUDING THE USE OF ARTIFICIAL**  
13 **TECHNOLOGY AND INTEGRATED SYSTEMS FOR ENERGY DEMAND RESPONSE,**  
14 **DEMAND MANAGEMENT TECHNOLOGY, AND IMPROVED ENERGY DISTRIBUTION;**

15           **(14) BIOTECHNOLOGY IN CLEAN ENERGY AND FOR THE REDUCTION OF**  
16 **DIRECT AND INDIRECT AGRICULTURAL EMISSIONS;**

17           **(15) CARBON DIOXIDE REMOVAL AND MANAGEMENT OR REUSE;**

18           **(16) CLEAN FUELS AND DISPLACEMENT OF ENERGY-INTENSIVE**  
19 **PRODUCTS;**

20           **(17) TRANSPORTATION ELECTRIFICATION AND MOBILITY**  
21 **TECHNOLOGIES;**

22           **(18) NEW CONCEPTS TO IMPROVE SAFETY AND REDUCE THE COST OF**  
23 **NUCLEAR POWER;**

24           **(19) CARBON-FREE GENERATION TECHNOLOGIES;**

25           **(20) ANY OTHER TECHNOLOGY OR SERVICE THAT THE CENTER**  
26 **DETERMINES WILL CONTRIBUTE DIRECTLY OR INDIRECTLY TO THE PRODUCTION OF**  
27 **ENERGY FROM RENEWABLE OR SUSTAINABLE SOURCES, OR TO THE IMPROVEMENT**  
28 **OF EFFICIENCY IN THE USE OF ENERGY; AND**

1           **(21) DEPLOYMENT OF ANY OF THE TECHNOLOGIES OR SERVICES**  
2 **LISTED IN ITEMS (1) THROUGH (20) OF THIS SUBSECTION.**

3           **[(c)] (D)**       “Board” means the Board of Directors of the Center.

4           **[(d)] (E)**       (1)     “Bond” means a bond issued by the Center under this subtitle.

5                       (2)     “Bond” includes a revenue bond, a revenue refunding bond, a note, and  
6 any other obligation, whether a general or limited obligation of the Center.

7           **[(e)] (F)**       “Center” means the Maryland Clean Energy Center.

8           **[(f)]**       “Clean energy” includes:

9                       (1)     solar photovoltaic technology;

10                      (2)     solar heating;

11                      (3)     geothermal;

12                      (4)     wind;

13                      (5)     biofuels;

14                      (6)     ethanol;

15                      (7)     other qualifying biomass as defined in § 7–701 of the Public Utilities  
16 Article;

17                      (8)     ocean, including energy from waves, tides, currents, and thermal  
18 differences;

19                      (9)     a fuel cell that produces energy from biofuels, ethanol, or other  
20 qualifying biomass;

21                      (10)    energy efficiency and conservation;

22                      (11)    any other technology or service that the Center determines will  
23 contribute directly or indirectly to the production of energy from renewable or sustainable  
24 sources, or to the improvement of efficiency in the use of energy; and

25                      (12)    deployment of any of the technologies or services listed in items (1)  
26 through (11) of this subsection.]

27           **(G)    “CLEAN ENERGY INNOVATION” MEANS IN-STATE DEVELOPMENT AND**

1 DEPLOYMENT OF ADVANCED CLEAN ENERGY TECHNOLOGIES THAT ADDRESS THE  
2 GOALS OF:

3 (1) ENERGY EFFICIENCY IN ALL ECONOMIC SECTORS;

4 (2) CARBON-FREE GENERATION OF ELECTRICAL POWER; AND

5 (3) THE REDUCTION OF DIRECT AND INDIRECT GREENHOUSE GAS  
6 EMISSIONS IN ALL ECONOMIC SECTORS.

7 (Q) "STATE AGENCY" MEANS ANY PERMANENT OR TEMPORARY STATE  
8 OFFICE, DEPARTMENT, DIVISION OR UNIT, BUREAU, BOARD, COMMISSION, TASK  
9 FORCE, AUTHORITY, INSTITUTION, STATE COLLEGE OR UNIVERSITY, AND ANY  
10 OTHER UNIT OF STATE GOVERNMENT, WHETHER EXECUTIVE, LEGISLATIVE, OR  
11 JUDICIAL, AND ANY SUBUNITS OF STATE GOVERNMENT.

12 [(p)] (R) (1) "Trust agreement" means an agreement entered into by the  
13 Center to secure a bond.

14 (2) "Trust agreement" may include a bond contract, bond resolution, or  
15 other contract with or for the benefit of a bondholder.

16 10-802.

17 (a) The General Assembly finds that:

18 (1) the United States as a whole, and the State in particular, are facing  
19 increased energy costs based on many factors, including rising fuel costs, limited  
20 investment in generation and transmission facilities, and a complex combination of  
21 market-based and other regulatory mechanisms that balance environmental, economic,  
22 health, and welfare interests;

23 (2) continued exclusive reliance on traditional forms of electricity supply  
24 entrenches the State's dependence on fossil fuels, working against the State's policy of  
25 decreasing greenhouse gas production, as evidenced by the State's accession to the Regional  
26 Greenhouse Gas Initiative;

27 (3) ["clean] "ADVANCED CLEAN energy", a broad term that includes a  
28 wide and varied mixture of strategies and techniques to produce useful energy from  
29 renewable and sustainable sources in a manner that minimizes fossil fuel use and harmful  
30 emissions, and to increase the efficient use of energy derived from all sources, offers many  
31 different opportunities for residents of the State to succeed in entrepreneurial and other  
32 commercial activity, to the overall economic and environmental benefit of the entire State,  
33 as measured in improved air and water quality, moderated energy expenditures, and  
34 increased State and local tax receipts;

1 (4) many individuals and businesses in the State possess talents and  
2 interest in the clean energy technology sector, which may form the basis for encouraging  
3 development and deployment of sustainable and renewable energy technologies in the  
4 State, the nation, and the world;

5 (5) the State will benefit from a targeted effort to establish and incubate  
6 **ADVANCED** clean energy industries **AND CLEAN ENERGY INNOVATION INDUSTRIES** in  
7 the State, including financial assistance, information sharing, and technical support for  
8 entrepreneurs in the manufacture and installation of **ADVANCED** clean energy technology  
9 **AND CLEAN ENERGY INNOVATIONS**; and

10 (6) it is in the public interest to establish a public corporation to undertake  
11 the tasks of promoting **ADVANCED** clean energy industries **AND CLEAN ENERGY**  
12 **INNOVATION INDUSTRIES** in the State, developing incubators for those industries,  
13 providing financial assistance, and also providing information sharing and technical  
14 assistance.

15 (b) The purposes of this subtitle are to:

16 (1) encourage the development of **ADVANCED** clean energy industries **AND**  
17 **CLEAN ENERGY INNOVATION INDUSTRIES** in the State;

18 (2) encourage the deployment of **ADVANCED** clean energy technologies  
19 **AND CLEAN ENERGY INNOVATIONS** in the State;

20 (3) help retain and attract business activity and commerce in the  
21 **ADVANCED** clean energy technology industry [sector] **AND CLEAN ENERGY INNOVATION**  
22 **INDUSTRY SECTORS** in the State;

23 (4) promote economic development; and

24 (5) promote the health, safety, and welfare of residents of the State.

25 (c) The General Assembly intends that:

26 (1) the Center operate and exercise its corporate powers in all areas of the  
27 State;

28 (2) without limiting its authority to otherwise exercise its corporate  
29 powers, the Center exercise its corporate powers to assist governmental units and State  
30 and local economic development agencies to contribute to the expansion, modernization,  
31 and retention of existing enterprises in the State as well as the attraction of new business  
32 to the State;

33 (3) the Center cooperate with private industries and local governments in  
34 maximizing new economic opportunities for residents of the State; and

1 (4) the Center accomplish at least one of the purposes listed in subsection  
2 (b) of this section and complement existing State marketing and financial assistance  
3 programs by:

4 (i) owning projects;

5 (ii) leasing projects to other persons; or

6 (iii) lending the proceeds of bonds to other persons to finance the costs  
7 of acquiring or improving projects that the persons own or will own.

8 10–806.

9 (a) There is a Maryland Clean Energy Center.

10 (d) The purposes of the Center are to:

11 (1) promote economic development and jobs in the **ADVANCED** clean  
12 energy industry [sector] **AND CLEAN ENERGY INNOVATION INDUSTRY SECTORS** in the  
13 State;

14 (2) promote the deployment of **ADVANCED** clean energy technology **AND**  
15 **CLEAN ENERGY INNOVATIONS** in the State;

16 (3) serve as an incubator for the development of **THE ADVANCED** clean  
17 energy industry **AND CLEAN ENERGY INNOVATION INDUSTRY** in the State;

18 (4) in collaboration with the Administration, collect, analyze, and  
19 disseminate industry data; and

20 (5) provide outreach and technical support to further the **ADVANCED** clean  
21 energy industry **AND CLEAN ENERGY INNOVATION INDUSTRY** in the State.

22 (e) It is the intent of the General Assembly that, as the Center develops programs  
23 and activities under this subtitle, the Center and the Administration shall work  
24 collaboratively together, as appropriate, in order to coordinate shared–interest functions  
25 and avoid duplication of efforts.

26 10–807.

27 (a) A Board of Directors shall manage the Center and exercise its corporate  
28 powers.

29 (b) The Board consists of the following nine members:



1 (1) the Director, or the Director's designee; and

2 (2) eight members appointed by the Governor with the advice and consent  
3 of the Senate:

4 (i) two representing the nonprofit **ADVANCED** clean energy  
5 research sector of the State;

6 (ii) two with expertise in venture capital financing;

7 (iii) two representing **ADVANCED** clean energy industries in the  
8 State;

9 (iv) one consumer member; and

10 (v) one member of the general public.

11 10-820.

12 The Center may make grants to or provide equity investment financing for  
13 **ADVANCED** clean energy technology-based businesses **AND CLEAN ENERGY**  
14 **INNOVATION BUSINESSES.**

15 **10-821.1.**

16 **(A) THE CENTER MAY ENTER INTO FINANCING TRANSACTIONS WITH, ON**  
17 **BEHALF OF, OR FOR THE BENEFIT OF ANY STATE AGENCY FOR THE PURPOSES OF A**  
18 **PROJECT ON STATE-OWNED OR STATE-LEASED PROPERTY.**

19 **(B) FINANCING UNDER THIS SECTION:**

20 **(1) MAY BE IN ANY FORM, INCLUDING BONDS, LOANS, GRANTS,**  
21 **ENERGY PERFORMANCE CONTRACTS, SHARED ENERGY SAVINGS CONTRACTS,**  
22 **PARTICIPATION AGREEMENTS, LEASE AGREEMENTS, AND REIMBURSEMENT**  
23 **AGREEMENTS; BUT**

24 **(2) MAY NOT PLEDGE THE FAITH AND CREDIT OF THE STATE.**

25 **(C) THE DEPARTMENT OF GENERAL SERVICES AND THE DEPARTMENT OF**  
26 **BUDGET AND MANAGEMENT SHALL WORK WITH THE CENTER TO ENSURE THAT**  
27 **FINANCING TRANSACTIONS UNDER THIS SECTION ARE EFFICIENT AND**  
28 **COST-EFFECTIVE FOR THE STATE.**

29 10-823.

1 (a) The Center may disseminate information and materials pertinent to  
2 **ADVANCED** clean energy technology, **CLEAN ENERGY INNOVATION**, financing, and  
3 development in the State, for persons engaged in the **ADVANCED** clean energy [industry]  
4 **AND CLEAN ENERGY INNOVATION INDUSTRIES** as developers, manufacturers, and  
5 installers, as well as for consumers and financial institutions, including information on  
6 available federal, State, and private financial assistance and technical assistance.

7 (b) The Center may:

8 (1) cooperate with and provide assistance to local governments,  
9 instrumentalities, and research entities in the State; and

10 (2) coordinate **ADVANCED** clean energy technology **AND CLEAN ENERGY**  
11 **INNOVATION** development, education, and deployment activities with programs of the  
12 federal government and of governmental units and public and private entities in and  
13 outside the State.

14 (c) The Center may conduct the activities under this section in consultation with  
15 the Administration.

16 (d) The Maryland Environmental Service, the Maryland Economic Development  
17 Corporation, and other State economic development units shall cooperate with the Center  
18 and may make available to the Center resources and expertise for the evaluation of project  
19 financing and coordination of financing between the Center and other economic  
20 development units.

21 10-826.

22 (a) On or before October 1 of each year, the Center shall report to the Governor,  
23 the Administration, and, in accordance with § 2-1257 of the State Government Article, the  
24 General Assembly.

25 (b) The report shall include:

26 (1) a complete operating and financial statement covering the Center's  
27 operations [and];

28 (2) a summary of the Center's activities during the preceding the fiscal  
29 year; **AND**

30 (3) **A SUMMARY OF THE CENTER'S ACTIVITIES SPECIFIC TO CLEAN**  
31 **ENERGY INNOVATION, INCLUDING THE RESULTS OF AN ANNUAL ANALYSIS**  
32 **PERFORMED IN COORDINATION WITH THE MARYLAND ENERGY INNOVATION**  
33 **INSTITUTE TO QUANTIFY:**

34 (I) **THE ANNUAL INCREASE IN THE NUMBER OF CLEAN ENERGY**

1 INNOVATION BUSINESSES IN THE STATE;

2 (II) FEDERAL FUNDING AWARDED FOR CLEAN ENERGY  
3 INNOVATION AND COMMERCIALIZATION IN THE STATE; AND

4 (III) PRIVATE SECTOR INVESTMENT IN CLEAN ENERGY  
5 INNOVATION AND COMMERCIALIZATION IN THE STATE.

6 10-828.

7 (a) In this part the following words have the meanings indicated.

8 (c) “Fund” means the Maryland Energy Innovation Fund.

9 (d) “Institute” means the Maryland Energy Innovation Institute.

10 10-829.

11 (a) There is a Maryland Energy Innovation Institute.

12 (d) The purposes of the Institute are to:

13 (1) collaborate with academic institutions in the State to participate in  
14 **ADVANCED** clean energy **AND CLEAN ENERGY INNOVATION** programs; and

15 (2) develop and attract private investment in clean energy innovation and  
16 commercialization in the State.

17 10-830.

18 (a) (1) There is an Advisory Board of the Institute.

19 (2) The Institute Board advises the University of Maryland on the  
20 management of the Institute.

21 (b) The Institute Board consists of the following nine members:

22 (1) the chair of the Board of Directors of the Maryland Clean Energy  
23 Center;

24 (2) the Director; and

25 (3) seven members selected by the University of Maryland based on  
26 expertise in energy technology commercialization, the **ADVANCED** clean energy industry,  
27 **THE CLEAN ENERGY INNOVATION INDUSTRY**, venture capital financing, and energy  
28 research.

1 10-834.

2 (A) The Institute may:

3 (1) maintain offices at the University of Maryland, College Park;

4 (2) coordinate and promote energy research and education at the  
5 University of Maryland, College Park, including its relevant energy centers, as well as at  
6 other academic institutions;

7 (3) provide energy policy innovation advice to State and federal units;

8 (4) collaborate with other academic institutions, governmental units,  
9 foundations, and industrial companies for **ADVANCED** clean energy research and  
10 innovation;

11 (5) pursue grants, other funds, and in-kind contributions for **ADVANCED**  
12 clean energy research and innovation;

13 (6) provide seed grant funding to academic institution-based  
14 entrepreneurs or entities, in order to promote the commercialization of **ADVANCED** clean  
15 energy technologies developed wholly or partly by an academic institution, but not  
16 duplicate existing seed grants made through the Maryland Technology Development  
17 Corporation;

18 (7) work with the Maryland Technology Enterprise Institute to jointly  
19 manage, operate, and maintain facilities for [a] **AN ADVANCED** clean energy **AND CLEAN**  
20 **ENERGY INNOVATION** incubator at the University of Maryland, College Park;

21 (8) work with the Maryland Technology Enterprise Institute to expand  
22 Maryland Industrial Partnership Awards to promote the commercialization of **ADVANCED**  
23 clean energy **AND CLEAN ENERGY INNOVATION** technologies developed wholly or partly  
24 by an academic institution;

25 (9) work with the Maryland Technology Enterprise Institute and the  
26 University of Maryland Office of Technology Commercialization to:

27 (i) identify **ADVANCED CLEAN** energy **AND CLEAN ENERGY**  
28 **INNOVATION** technologies at academic institutions that may be viable for  
29 commercialization; and

30 (ii) provide grant funding and investment financing to cover patent,  
31 facilities, and other costs not allowed under federal or state research grants to an academic  
32 institution-based entrepreneur or entity, in order to promote the commercialization of  
33 **ADVANCED** clean energy **AND CLEAN ENERGY INNOVATION** technologies developed

1 wholly or partly by an academic institution;

2 (10) coordinate incubation and potential financing of academic  
3 institution-based entrepreneurs or entities with resources provided by the Center;

4 (11) work closely with State units, industrial partners, nongovernmental  
5 organizations, and federal agencies and laboratories to ensure effective implementation  
6 and execution of the State's energy mission and vision, in collaboration with the  
7 Administration;

8 (12) undergo periodic reviews every 5 years consistent with University  
9 System of Maryland policies; and

10 (13) do all things necessary or convenient to carry out the powers granted  
11 by this part.

12 **(B) THE INSTITUTE SHALL COORDINATE WITH THE CENTER AND THE**  
13 **MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION IN SUPPORTING**  
14 **MARYLAND-BASED TECHNOLOGY COMPANIES ENGAGED IN CLEAN ENERGY**  
15 **INNOVATION.**

16 **(C) (1) THE INSTITUTE AND THE CENTER SHALL IMPLEMENT AN**  
17 **ACCELERATOR PROGRAM FOR MARYLAND-BASED TECHNOLOGY COMPANIES**  
18 **ENGAGED IN CLEAN ENERGY INNOVATION THAT FEATURES SEED FUNDING,**  
19 **TRAINING, AND DEVELOPMENTAL SUPPORT FOR THE COMPANIES.**

20 **(2) IN CARRYING OUT THEIR RESPONSIBILITIES UNDER THIS**  
21 **SUBSECTION, THE INSTITUTE AND THE CENTER SHALL CONSULT WITH THE**  
22 **DEPARTMENT, THE CORPORATION, THE ADMINISTRATION, THE DEPARTMENT OF**  
23 **THE ENVIRONMENT, AND THE MARYLAND INDUSTRIAL PARTNERSHIP AWARDS**  
24 **PROGRAM.**

25 10-835.

26 (a) (1) There is a Maryland Energy Innovation Fund in the University System  
27 of Maryland.

28 (2) The Fund shall be used by the Institute and the Center.

29 (b) (1) The Institute:

30 (i) may use the Fund to:

31 1. carry out the purposes of this subtitle, including the  
32 purposes listed in § 10-834 of this subtitle;

- 1                                    2.     purchase advisory services and technical assistance to  
2 better support economic development; and
- 3                                    3.     pay the administrative, legal, and actuarial expenses of  
4 the Institute; and
- 5                                    (ii)   shall use the Fund for the administrative and operating costs of  
6 the Center.
- 7                                    (2)   The Center may use the Fund to:
- 8                                    (i)   make a grant or a loan under this subtitle, at the rate of interest  
9 the Center sets;
- 10                                    (ii)   provide equity investment financing for a business enterprise  
11 under this subtitle; and
- 12                                    (iii)   guarantee a loan, an equity, an investment, or any other private  
13 financing to expand the capital resources of a business enterprise under this subtitle.
- 14                                    (c)   The Institute shall manage and supervise the Fund.
- 15                                    (d)   (1)   The Fund is a special, nonlapsing revolving fund that is not subject to  
16 reversion under § 7-302 of the State Finance and Procurement Article.
- 17                                    (2)   The State Treasurer shall hold the Fund separately, and the  
18 Comptroller shall account for the Fund.
- 19                                    (e)   The Fund consists of:
- 20                                    (1)   money appropriated by the State to the Fund;
- 21                                    (2)   money contributed to the Fund through federal programs or private  
22 entities;
- 23                                    (3)   repayment of principal of a loan made from the Fund;
- 24                                    (4)   payment of interest on a loan made from the Fund;
- 25                                    (5)   proceeds from the sale, disposition, lease, or rental by the Center of  
26 collateral related to financing that the Center provides from the Fund;
- 27                                    (6)   premiums, fees, royalties, interest, repayments of principal, and  
28 returns on investments paid to the Center by or on behalf of:
- 29                                    (i)   a business enterprise in which the Center has made an  
30 investment from the Fund; or

1 (ii) an investor providing an investment guaranteed by the Center  
2 from the Fund;

3 (7) recovery of an investment made by the Center in a business enterprise  
4 from the Fund, including an arrangement under which the Center's investment in the  
5 business enterprise is recovered through:

6 (i) a requirement that the Fund receive a proportion of cash flow,  
7 commission, royalty, or payment on a patent; or

8 (ii) the repurchase from the Center of any evidence of indebtedness  
9 or other financial participation made from the Fund, including a note, stock, bond, or  
10 debenture;

11 (8) repayment of a conditional grant extended by the Center from the  
12 Fund; [and]

13 **(9) MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH §**  
14 **9-20B-05 OF THE STATE GOVERNMENT ARTICLE; AND**

15 **[(9)] (10)** any other money made available to the Institute for the Fund.

16 (f) (1) The State Treasurer shall invest the money in the same manner as  
17 other State money may be invested.

18 (2) Any interest earnings of the Fund shall be credited to the Fund.

19 (g) Money expended from the Fund under this subtitle is supplemental to and is  
20 not intended to take the place of funding that otherwise would be appropriated for the  
21 Center, the Institute, or any part of the University System of Maryland.

## 22 **Article – State Government**

23 9-20B-05.

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

25 (f) The Administration shall use the Fund:

26 (10) subject to subsections (f-2) and (f-3) of this section, to invest in  
27 pre-apprenticeship, youth apprenticeship, and registered apprenticeship programs to  
28 establish career paths in the clean energy industry under § 11-708.1 of the Labor and  
29 Employment Article, as follows:

30 (i) \$1,500,000 for grants to pre-apprenticeship jobs training

1 programs under § 11-708.1(c)(2) of the Labor and Employment Article starting in fiscal  
2 year 2021 until all amounts are spent; and

3 (ii) \$6,500,000 for grants to youth apprenticeship jobs training  
4 programs and registered apprenticeship jobs training programs under § 11-708.1(c)(4) of  
5 the Labor and Employment Article starting in fiscal year 2021 until all amounts are spent;  
6 [and]

7 (11) SUBJECT TO SUBSECTION (F-4) OF THIS SECTION, TO PROVIDE AT  
8 LEAST \$2,100,000 IN FUNDING EACH FISCAL YEAR TO THE MARYLAND ENERGY  
9 INNOVATION FUND ESTABLISHED UNDER § 10-835 OF THE ECONOMIC  
10 DEVELOPMENT ARTICLE; AND

11 [(11)] (12) to pay the expenses of the Program.

12 (F-4) OF THE FUNDS TRANSFERRED TO THE MARYLAND ENERGY  
13 INNOVATION FUND UNDER SUBSECTION (F)(11) OF THIS SECTION:

14 (1) AT LEAST \$1,200,000 MAY BE USED TO FUND THE MARYLAND  
15 CLEAN ENERGY CENTER ESTABLISHED UNDER § 10-806 OF THE ECONOMIC  
16 DEVELOPMENT ARTICLE; AND

17 (2) AT LEAST \$900,000 MAY BE USED TO FUND THE MARYLAND  
18 ENERGY INNOVATION INSTITUTE ESTABLISHED UNDER § 10-829 OF THE  
19 ECONOMIC DEVELOPMENT ARTICLE.

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