

# SENATE BILL 739

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By: **Senator Feldman**

Introduced and read first time: February 3, 2020

Assigned to: Finance and Budget and Taxation

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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 and the  
15 Institute to coordinate with each other in supporting certain technology companies;  
16 requiring the Institute and the Corporation 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

30 (2018 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 – Economic Development  
3 Section 9–101(a) and (c), 10–401(a) and (c), 10–402(a), 10–801(a) and (b), 10–806(a)  
4 and (e), 10–807(a), 10–828(a), (c), and (d), 10–829(a), and 10–830(a)  
5 Annotated Code of Maryland  
6 (2018 Replacement Volume and 2019 Supplement)

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

12 BY repealing and reenacting, with amendments,  
13 Article – Economic Development  
14 Section 10–801(c) through (e) and (p), 10–802, 10–806(d), 10–807(b), 10–820, 10–823,  
15 10–829(d), 10–830(b), 10–834, 10–835, and 10–839  
16 Annotated Code of Maryland  
17 (2018 Replacement Volume and 2019 Supplement)

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

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

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

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

38 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
39 That Section(s) 10–801(g) through (o), respectively, of Article – Economic Development of

1 the Annotated Code of Maryland be renumbered to be Section(s) 10–801(h) through (p),  
2 respectively.

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

5 **Article – Economic Development**

6 9–101.

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

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

9 10–401.

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

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

12 10–402.

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

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

18 10–801.

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

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

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

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

23 **(2) SOLAR HEATING;**

24 **(3) GEOTHERMAL;**

25 **(4) WIND;**

26 **(5) BIOFUELS;**

1           **(6) ETHANOL;**

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

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

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

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

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

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

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

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

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

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

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

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

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

24          **(20) ANY OTHER TECHNOLOGY OR SERVICE THAT THE CENTER**  
25 **DETERMINES WILL CONTRIBUTE DIRECTLY OR INDIRECTLY TO THE PRODUCTION OF**  
26 **ENERGY FROM RENEWABLE OR SUSTAINABLE SOURCES, OR TO THE IMPROVEMENT**  
27 **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**  
28 **DEPLOYMENT OF ADVANCED CLEAN ENERGY TECHNOLOGIES THAT ADDRESS THE**

## 1 GOALS OF:

2 (1) ENERGY EFFICIENCY IN ALL ECONOMIC SECTORS;

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

4 (3) THE REDUCTION OF DIRECT AND INDIRECT GREENHOUSE GAS  
5 EMISSIONS IN ALL ECONOMIC SECTORS.6 (Q) "STATE AGENCY" MEANS ANY PERMANENT OR TEMPORARY STATE  
7 OFFICE, DEPARTMENT, DIVISION OR UNIT, BUREAU, BOARD, COMMISSION, TASK  
8 FORCE, AUTHORITY, INSTITUTION, STATE COLLEGE OR UNIVERSITY, AND ANY  
9 OTHER UNIT OF STATE GOVERNMENT, WHETHER EXECUTIVE, LEGISLATIVE, OR  
10 JUDICIAL, AND ANY SUBUNITS OF STATE GOVERNMENT.11 [(p)] (R) (1) "Trust agreement" means an agreement entered into by the  
12 Center to secure a bond.13 (2) "Trust agreement" may include a bond contract, bond resolution, or  
14 other contract with or for the benefit of a bondholder.

15 10-802.

16 (a) The General Assembly finds that:

17 (1) the United States as a whole, and the State in particular, are facing  
18 increased energy costs based on many factors, including rising fuel costs, limited  
19 investment in generation and transmission facilities, and a complex combination of  
20 market-based and other regulatory mechanisms that balance environmental, economic,  
21 health, and welfare interests;22 (2) continued exclusive reliance on traditional forms of electricity supply  
23 entrenches the State's dependence on fossil fuels, working against the State's policy of  
24 decreasing greenhouse gas production, as evidenced by the State's accession to the Regional  
25 Greenhouse Gas Initiative;26 (3) ["clean"] "ADVANCED CLEAN energy", a broad term that includes a  
27 wide and varied mixture of strategies and techniques to produce useful energy from  
28 renewable and sustainable sources in a manner that minimizes fossil fuel use and harmful  
29 emissions, and to increase the efficient use of energy derived from all sources, offers many  
30 different opportunities for residents of the State to succeed in entrepreneurial and other  
31 commercial activity, to the overall economic and environmental benefit of the entire State,  
32 as measured in improved air and water quality, moderated energy expenditures, and  
33 increased State and local tax receipts;

34 (4) many individuals and businesses in the State possess talents and

1 interest in the clean energy technology sector, which may form the basis for encouraging  
2 development and deployment of sustainable and renewable energy technologies in the  
3 State, the nation, and the world;

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

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

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

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

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

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

22 (4) promote economic development; and

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

24 (c) The General Assembly intends that:

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

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

32 (3) the Center cooperate with private industries and local governments in  
33 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:

30 (1) the Director, or the Director’s designee; and



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

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

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

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

8                   (iv)   one consumer member; and

9                   (v)   one member of the general public.

10 10-820.

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

14 **10-821.1.**

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

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

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

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

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

28 10-823.

29           (a) The Center may disseminate information and materials pertinent to

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

6 (b) The Center may:

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

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

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

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

20 10-828.

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

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

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

24 10-829.

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

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

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

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

31 10-830.

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

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

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

5 (1) the chair of the Board of Directors of the Maryland Clean Energy  
6 Center;

7 (2) the Director; and

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

12 10–834.

13 (A) The Institute may:

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

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

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

19 (4) collaborate with other academic institutions, governmental units,  
20 foundations, and industrial companies for **ADVANCED** clean energy research and  
21 innovation;

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

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

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

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

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

7 (i) identify **ADVANCED CLEAN** energy **AND CLEAN ENERGY**  
8 **INNOVATION** technologies at academic institutions that may be viable for  
9 commercialization; and

10 (ii) provide grant funding and investment financing to cover patent,  
11 facilities, and other costs not allowed under federal or state research grants to an academic  
12 institution-based entrepreneur or entity, in order to promote the commercialization of  
13 **ADVANCED** clean energy **AND CLEAN ENERGY INNOVATION** technologies developed  
14 wholly or partly by an academic institution;

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

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

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

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

25 **(B) THE INSTITUTE SHALL COORDINATE WITH THE MARYLAND**  
26 **TECHNOLOGY DEVELOPMENT CORPORATION IN SUPPORTING MARYLAND-BASED**  
27 **TECHNOLOGY COMPANIES ENGAGED IN CLEAN ENERGY INNOVATION.**

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

32 **(2) IN CARRYING OUT THEIR RESPONSIBILITIES UNDER THIS**  
33 **SUBSECTION, THE INSTITUTE AND THE CENTER SHALL CONSULT WITH THE**  
34 **DEPARTMENT, THE CORPORATION, THE ADMINISTRATION, THE DEPARTMENT OF**

1 **THE ENVIRONMENT, AND THE MARYLAND INDUSTRIAL PARTNERSHIP AWARDS**  
2 **PROGRAM.**

3 10–835.

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

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

7 (b) (1) The Institute:

8 (i) may use the Fund to:

9 1. carry out the purposes of this subtitle, including the  
10 purposes listed in § 10–834 of this subtitle;

11 2. purchase advisory services and technical assistance to  
12 better support economic development; and

13 3. pay the administrative, legal, and actuarial expenses of  
14 the Institute; and

15 (ii) shall use the Fund for the administrative and operating costs of  
16 the Center.

17 (2) The Center may use the Fund to:

18 (i) make a grant or a loan under this subtitle, at the rate of interest  
19 the Center sets;

20 (ii) provide equity investment financing for a business enterprise  
21 under this subtitle; and

22 (iii) guarantee a loan, an equity, an investment, or any other private  
23 financing to expand the capital resources of a business enterprise under this subtitle.

24 (c) The Institute shall manage and supervise the Fund.

25 (d) (1) The Fund is a special, nonlapsing revolving fund that is not subject to  
26 reversion under § 7–302 of the State Finance and Procurement Article.

27 (2) The State Treasurer shall hold the Fund separately, and the  
28 Comptroller shall account for the Fund.

29 (e) The Fund consists of:

- 1 (1) money appropriated by the State to the Fund;
- 2 (2) money contributed to the Fund through federal programs or private  
3 entities;
- 4 (3) repayment of principal of a loan made from the Fund;
- 5 (4) payment of interest on a loan made from the Fund;
- 6 (5) proceeds from the sale, disposition, lease, or rental by the Center of  
7 collateral related to financing that the Center provides from the Fund;
- 8 (6) premiums, fees, royalties, interest, repayments of principal, and  
9 returns on investments paid to the Center by or on behalf of:
- 10 (i) a business enterprise in which the Center has made an  
11 investment from the Fund; or
- 12 (ii) an investor providing an investment guaranteed by the Center  
13 from the Fund;
- 14 (7) recovery of an investment made by the Center in a business enterprise  
15 from the Fund, including an arrangement under which the Center's investment in the  
16 business enterprise is recovered through:
- 17 (i) a requirement that the Fund receive a proportion of cash flow,  
18 commission, royalty, or payment on a patent; or
- 19 (ii) the repurchase from the Center of any evidence of indebtedness  
20 or other financial participation made from the Fund, including a note, stock, bond, or  
21 debenture;
- 22 (8) repayment of a conditional grant extended by the Center from the  
23 Fund; [and]
- 24 **(9) MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH §**  
25 **9-20B-05 OF THE STATE GOVERNMENT ARTICLE; AND**
- 26 **[(9)] (10)** any other money made available to the Institute for the Fund.
- 27 (f) (1) The State Treasurer shall invest the money in the same manner as  
28 other State money may be invested.
- 29 (2) Any interest earnings of the Fund shall be credited to the Fund.
- 30 (g) Money expended from the Fund under this subtitle is supplemental to and is

1 not intended to take the place of funding that otherwise would be appropriated for the  
2 Center, the Institute, or any part of the University System of Maryland.

3 10-839.

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

7 (b) The report shall include:

8 (1) a complete operating and financial statement covering the Institute's  
9 operations [and];

10 (2) a summary of the Institute's activities during the preceding fiscal year;  
11 AND

12 (3) A SUMMARY OF:

13 (I) THE ANNUAL INCREASE IN THE NUMBER OF CLEAN ENERGY  
14 INNOVATION BUSINESSES IN THE STATE;

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

17 (III) PRIVATE SECTOR INVESTMENT IN CLEAN ENERGY  
18 INNOVATION AND COMMERCIALIZATION IN THE STATE.

#### 19 Article – State Government

20 9-20B-05.

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

22 (f) The Administration shall use the Fund:

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

27 (i) \$1,500,000 for grants to pre-apprenticeship jobs training  
28 programs under § 11-708.1(c)(2) of the Labor and Employment Article starting in fiscal  
29 year 2021 until all amounts are spent; and

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

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

9 [(11)] (12) to pay the expenses of the Program.

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

12 (1) AT LEAST \$1,400,000 MAY BE USED TO FUND THE MARYLAND  
13 CLEAN ENERGY CENTER ESTABLISHED UNDER § 10-806 OF THE ECONOMIC  
14 DEVELOPMENT ARTICLE; AND

15 (2) AT LEAST \$700,000 MAY BE USED TO FUND THE MARYLAND  
16 ENERGY INNOVATION INSTITUTE ESTABLISHED UNDER § 10-829 OF THE  
17 ECONOMIC DEVELOPMENT ARTICLE.

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