

HOUSE BILL 419

C8

(11r0707)

ENROLLED BILL
— *Economic Matters/Finance* —

Introduced by **Delegate Qi**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

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; designating the Center as the State
11 green bank; altering the membership of the Board of Directors of the Center;
12 authorizing the Center to enter into certain financing transactions with, on behalf
13 of, or for the benefit of certain State agencies for certain purposes; requiring the
14 Department of General Services and the Department of Budget and Management to
15 work with the Center for certain purposes; requiring the Maryland Technology

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.

Italics indicate opposite chamber/conference committee amendments.



1 Development Corporation and the Institute to coordinate with each other in
2 supporting certain technology companies; requiring the Institute and the Center to
3 implement a certain accelerator program in a certain manner and to consult with
4 certain State agencies; altering a certain reporting requirement to include certain
5 information regarding clean energy innovation in the State; altering the purposes of
6 the Maryland Strategic Energy Investment Fund to include providing a certain
7 amount of funding each fiscal year to the Maryland Energy Innovation Fund;
8 clarifying the amount of certain funding provided in a certain fiscal year; specifying
9 the manner in which the funds may be used; providing for the elimination of the
10 position of a certain member of the Board; making conforming changes; defining
11 certain terms and altering certain definitions; and generally relating to the
12 Maryland Clean Energy Center, the Maryland Energy Innovation Institute, and
13 clean energy.

14 BY renumbering

15 Article – Economic Development
16 Section 10–801(g) through (p), respectively
17 to be Section 10–801(h) through (p) and (r), respectively
18 Annotated Code of Maryland
19 (2018 Replacement Volume and 2020 Supplement)

20 BY repealing and reenacting, without amendments,

21 Article – Economic Development
22 Section 9–101(a) and (c), 10–401(a) and (c), 10–402(a), 10–801(a) and (b), 10–806(a)
23 and (e), 10–807(a), 10–828(a), (c), and (d), 10–829(a), and 10–830(a)
24 Annotated Code of Maryland
25 (2018 Replacement Volume and 2020 Supplement)

26 BY adding to

27 Article – Economic Development
28 Section 10–402(d), 10–801(c), (g), and (q), and 10–821.1
29 Annotated Code of Maryland
30 (2018 Replacement Volume and 2020 Supplement)

31 BY repealing and reenacting, with amendments,

32 Article – Economic Development
33 Section 10–801(c) through (e), 10–802, 10–806(d), 10–807(b), 10–820, 10–823,
34 10–826, 10–829(d), 10–830(b), 10–834, 10–835, and 10–839
35 Annotated Code of Maryland
36 (2018 Replacement Volume and 2020 Supplement)

37 BY repealing

38 Article – Economic Development
39 Section 10–801(f)
40 Annotated Code of Maryland
41 (2018 Replacement Volume and 2020 Supplement)

1 BY repealing and reenacting, without amendments,
 2 Article – State Government
 3 Section 9–20B–05(a)
 4 Annotated Code of Maryland
 5 (2014 Replacement Volume and 2020 Supplement)

6 BY repealing and reenacting, with amendments,
 7 Article – State Government
 8 Section 9–20B–05(f)(10) and (11)
 9 Annotated Code of Maryland
 10 (2014 Replacement Volume and 2020 Supplement)

11 BY adding to
 12 Article – State Government
 13 Section 9–20B–05(f)(11) and (f–4)
 14 Annotated Code of Maryland
 15 (2014 Replacement Volume and 2020 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 17 That Section(s) 10–801(g) through (p), respectively, of Article – Economic Development of
 18 the Annotated Code of Maryland be renumbered to be Section(s) 10–801(h) through (p) and
 19 (r), respectively.

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

22 **Article – Economic Development**

23 9–101.

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

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

26 10–401.

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

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

29 10–402.

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

31 **(D) IN ACCORDANCE WITH § 10–834 OF THIS TITLE, THE CORPORATION AND**
 32 **THE MARYLAND CLEAN ENERGY CENTER SHALL COORDINATE WITH THE**

1 **MARYLAND ENERGY INNOVATION INSTITUTE IN SUPPORTING MARYLAND-BASED**
2 **TECHNOLOGY COMPANIES ENGAGED IN CLEAN ENERGY INNOVATION.**

3 10-801.

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

5 (b) "Administration" means the Maryland Energy Administration.

6 (c) "ADVANCED CLEAN ENERGY" INCLUDES:

7 (1) SOLAR PHOTOVOLTAIC TECHNOLOGY;

8 (2) SOLAR HEATING;

9 (3) GEOTHERMAL;

10 (4) WIND;

11 (5) BIOFUELS;

12 (6) ETHANOL;

13 (7) RENEWABLE CHEMICAL PRODUCTION;

14 ~~(7)~~ (8) OTHER QUALIFYING BIOMASS AS DEFINED IN § 7-701 OF
15 THE PUBLIC UTILITIES ARTICLE;

16 ~~(8)~~ (9) OCEAN, INCLUDING ENERGY FROM WAVES, TIDES,
17 CURRENTS, AND THERMAL DIFFERENCES;

18 ~~(9)~~ (10) A FUEL CELL THAT PRODUCES ENERGY WITH REDUCED
19 GREENHOUSE GAS EMISSIONS AS COMPARED TO CONVENTIONAL TECHNOLOGY;

20 ~~(10)~~ (11) ENERGY EFFICIENCY AND CONSERVATION;

21 ~~(11)~~ (12) COMBINED HEAT AND POWER;

22 ~~(12)~~ (13) ENERGY STORAGE AND BATTERY TECHNOLOGIES;

23 ~~(13)~~ (14) GRID MODERNIZATION, INCLUDING THE USE OF ARTIFICIAL
24 TECHNOLOGY AND INTEGRATED SYSTEMS FOR ENERGY DEMAND RESPONSE,
25 DEMAND MANAGEMENT TECHNOLOGY, AND IMPROVED ENERGY DISTRIBUTION;

1 ~~(14)~~ (15) BIOTECHNOLOGY IN CLEAN ENERGY AND FOR THE
2 REDUCTION OF DIRECT AND INDIRECT AGRICULTURAL EMISSIONS;

3 ~~(15)~~ (16) CARBON DIOXIDE REMOVAL AND MANAGEMENT OR REUSE;

4 ~~(16)~~ (17) CLEAN FUELS AND DISPLACEMENT OF ENERGY-INTENSIVE
5 PRODUCTS;

6 ~~(17)~~ (18) TRANSPORTATION ELECTRIFICATION AND MOBILITY
7 TECHNOLOGIES;

8 ~~(18)~~ (19) NEW CONCEPTS TO IMPROVE SAFETY AND REDUCE THE
9 COST OF NUCLEAR POWER;

10 ~~(19)~~ (20) CARBON-FREE GENERATION TECHNOLOGIES;

11 ~~(20)~~ (21) ANY OTHER TECHNOLOGY OR SERVICE THAT THE CENTER
12 DETERMINES WILL CONTRIBUTE DIRECTLY OR INDIRECTLY TO THE PRODUCTION OF
13 ENERGY FROM RENEWABLE OR SUSTAINABLE SOURCES, OR TO THE IMPROVEMENT
14 OF EFFICIENCY IN THE USE OF ENERGY; AND

15 ~~(21)~~ (22) DEPLOYMENT OF ANY OF THE TECHNOLOGIES OR SERVICES
16 LISTED IN ITEMS (1) THROUGH ~~(20)~~ (21) OF THIS SUBSECTION.

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

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

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

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

22 [(f)] “Clean energy” includes:

23 (1) solar photovoltaic technology;

24 (2) solar heating;

25 (3) geothermal;

26 (4) wind;

27 (5) biofuels;

1 (6) ethanol;

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

4 (8) ocean, including energy from waves, tides, currents, and thermal
5 differences;

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

8 (10) energy efficiency and conservation;

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

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

14 **(G) “CLEAN ENERGY INNOVATION” MEANS IN-STATE DEVELOPMENT AND**
15 **DEPLOYMENT OF ADVANCED CLEAN ENERGY TECHNOLOGIES THAT ADDRESS THE**
16 **GOALS OF:**

17 **(1) ENERGY EFFICIENCY IN ALL ECONOMIC SECTORS;**

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

19 **(3) THE REDUCTION OF DIRECT AND INDIRECT GREENHOUSE GAS**
20 **EMISSIONS IN ALL ECONOMIC SECTORS.**

21 **(Q) “STATE AGENCY” MEANS ANY PERMANENT OR TEMPORARY STATE**
22 **OFFICE, DEPARTMENT, DIVISION OR UNIT, BUREAU, BOARD, COMMISSION, TASK**
23 **FORCE, AUTHORITY, INSTITUTION, STATE COLLEGE OR UNIVERSITY, AND ANY**
24 **OTHER UNIT OF STATE GOVERNMENT, WHETHER EXECUTIVE, LEGISLATIVE, OR**
25 **JUDICIAL, AND ANY SUBUNITS OF STATE GOVERNMENT.**

26 10–802.

27 (a) The General Assembly finds that:

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

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

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

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

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

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

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

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

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

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

35 (4) promote economic development; [and]

1 **(5) DESIGNATE THE MARYLAND CLEAN ENERGY CENTER AS A GREEN**
 2 **BANK FOR THE STATE ~~GREEN BANK~~; AND**

3 **~~[(5)] (6) ENCOURAGE THE CENTER TO WORK IN CONJUNCTION WITH~~**
 4 **OTHER LOCAL AND PRIVATE GREEN BANKS; AND**

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

6 (c) The General Assembly intends that:

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

9 (2) without limiting its authority to otherwise exercise its corporate
 10 powers, the Center exercise its corporate powers to assist governmental units and State
 11 and local economic development agencies to contribute to the expansion, modernization,
 12 and retention of existing enterprises in the State as well as the attraction of new business
 13 to the State;

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

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

19 (i) owning projects;

20 (ii) leasing projects to other persons; or

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

23 10–806.

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

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

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

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

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

3 (4) in collaboration with the Administration, collect, analyze, and
4 disseminate industry data; [and]

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

7 ~~(6) SERVE AS THE STATE GREEN BANK.~~

8 **(6) WORK AS A GREEN BANK AND IN CONJUNCTION WITH LOCAL AND**
9 **PRIVATE GREEN BANKS.**

10 (e) It is the intent of the General Assembly that, as the Center develops programs
11 and activities under this subtitle, the Center and the Administration shall work
12 collaboratively together, as appropriate, in order to coordinate shared-interest functions
13 and avoid duplication of efforts.

14 10-807.

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

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

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

19 **(2) THE DIRECTOR OF THE MARYLAND ENERGY INNOVATION**
20 **INSTITUTE, OR THE DIRECTOR OF THE MARYLAND ENERGY INNOVATION**
21 **INSTITUTE'S DESIGNEE; AND**

22 **[(2)] (3)** [eight] **SEVEN** members appointed by the Governor with the
23 advice and consent of the Senate:

24 (i) [two] **ONE** representing the nonprofit **ADVANCED** clean energy
25 research sector of the State;

26 (ii) two with expertise in [venture] capital financing;

27 (iii) two representing **ADVANCED** clean energy industries in the
28 State;

29 (iv) one consumer member; and

1 (v) one member of the general public.

2 10-820.

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

6 **10-821.1.**

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

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

11 **(1) MAY BE IN ANY FORM, INCLUDING BONDS, LOANS, GRANTS,**
12 **ENERGY PERFORMANCE CONTRACTS, SHARED ENERGY SAVINGS CONTRACTS,**
13 **PARTICIPATION AGREEMENTS, LEASE AGREEMENTS, AND REIMBURSEMENT**
14 **AGREEMENTS; BUT**

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

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

20 10-823.

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

27 (b) The Center may:

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

30 (2) coordinate **ADVANCED** clean energy technology **AND CLEAN ENERGY**
31 **INNOVATION** development, education, and deployment activities with programs of the

1 federal government and of governmental units and public and private entities in and
2 outside the State.

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

5 (d) The Maryland Environmental Service, the Maryland Economic Development
6 Corporation, and other State economic development units shall cooperate with the Center
7 and may make available to the Center resources and expertise for the evaluation of project
8 financing and coordination of financing between the Center and other economic
9 development units.

10 10-826.

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

14 (b) The report shall include:

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

17 (2) a summary of the Center's activities during the preceding the fiscal
18 year; AND

19 (3) **A SUMMARY OF THE CENTER'S ACTIVITIES SPECIFIC TO CLEAN**
20 **ENERGY INNOVATION.**

21 10-828.

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

23 (c) "Fund" means the Maryland Energy Innovation Fund.

24 (d) "Institute" means the Maryland Energy Innovation Institute.

25 10-829.

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

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

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

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

3 10–830.

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

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

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

8 (1) the chair of the Board of Directors of the Maryland Clean Energy
9 Center;

10 (2) the Director; and

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

15 10–834.

16 (A) The Institute may:

17 (1) maintain offices at the University of Maryland, College Park **CAMPUS**;

18 (2) coordinate and promote energy research and education at the
19 University of Maryland, College Park **CAMPUS**, including its relevant energy centers, as
20 well as at other academic institutions;

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

22 (4) collaborate with other academic institutions, governmental units,
23 foundations, and industrial companies for **ADVANCED** clean energy research and
24 innovation;

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

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

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

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

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

10 (i) identify **ADVANCED CLEAN** energy **AND CLEAN ENERGY**
11 **INNOVATION** technologies at academic institutions that may be viable for
12 commercialization; and

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

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

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

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

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

28 **(B) THE INSTITUTE SHALL COORDINATE WITH THE MARYLAND**
29 **TECHNOLOGY DEVELOPMENT CORPORATION IN SUPPORTING MARYLAND-BASED**
30 **TECHNOLOGY COMPANIES ENGAGED IN CLEAN ENERGY INNOVATION.**

31 **(C) (1) THE INSTITUTE AND THE CENTER SHALL IMPLEMENT AN**
32 **ACCELERATOR PROGRAM FOR MARYLAND-BASED TECHNOLOGY COMPANIES**
33 **ENGAGED IN CLEAN ENERGY INNOVATION THAT FEATURES SEED FUNDING,**

1 TRAINING, ~~AND~~ DEVELOPMENTAL SUPPORT FOR THE COMPANIES, AND PILOT
2 PROJECTS FOCUSED ON ON-SITE CLEAN ENERGY GENERATION FOR BUILDINGS.

3 **(2) IN CARRYING OUT THEIR RESPONSIBILITIES UNDER THIS**
4 **SUBSECTION, THE INSTITUTE AND THE CENTER SHALL CONSULT WITH THE**
5 **DEPARTMENT, THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION, THE**
6 **ADMINISTRATION, THE DEPARTMENT OF THE ENVIRONMENT, AND THE MARYLAND**
7 **INDUSTRIAL PARTNERSHIP AWARDS PROGRAM.**

8 10-835.

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

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

12 (b) (1) The Institute:

13 (i) may use the Fund to:

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

16 2. purchase advisory services and technical assistance to
17 better support economic development; and

18 3. pay the administrative, legal, and actuarial expenses of
19 the Institute; and

20 (ii) shall use the Fund for the administrative and operating costs of
21 the Center.

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

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

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

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

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

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

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

5 (e) The Fund consists of:

6 (1) money appropriated by the State to the Fund;

7 (2) money contributed to the Fund through federal programs or private
8 entities;

9 (3) repayment of principal of a loan made from the Fund;

10 (4) payment of interest on a loan made from the Fund;

11 (5) proceeds from the sale, disposition, lease, or rental by the Center of
12 collateral related to financing that the Center provides from the Fund;

13 (6) premiums, fees, royalties, interest, repayments of principal, and
14 returns on investments paid to the Center by or on behalf of:

15 (i) a business enterprise in which the Center has made an
16 investment from the Fund; or

17 (ii) an investor providing an investment guaranteed by the Center
18 from the Fund;

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

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

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

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

29 **(9) MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH §**
30 **9-20B-05 OF THE STATE GOVERNMENT ARTICLE; AND**

1 establish career paths in the clean energy industry under § 11-708.1 of the Labor and
2 Employment Article, as follows:

3 (i) \$1,250,000 for grants to pre-apprenticeship jobs training
4 programs under § 11-708.1(c)(3) of the Labor and Employment Article starting in fiscal
5 year 2021 until all amounts are spent; and

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

9 (iii) \$750,000 for the recruitment of individuals, including veterans
10 and formerly incarcerated individuals, to the pre-apprenticeship jobs training programs
11 and the registered apprenticeship jobs training programs under § 11-708.1 of the Labor
12 and Employment Article starting in fiscal year 2021 until all amounts are spent; [and]

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

17 **[(11)] (12)** to pay the expenses of the Program.

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

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

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

26 SECTION 3. AND BE IT FURTHER ENACTED, That, to implement the reduction
27 in the number of representatives of the nonprofit clean energy research sector serving as
28 members of the Board of Directors of the Maryland Clean Energy Center from two to one
29 as provided in § 10-807(b) of the Economic Development Article, as enacted by Section 2 of
30 this Act, the position of the member representing the nonprofit clean energy research sector
31 whose term expires in June 2022 shall be eliminated on the effective date of this Act.

32 SECTION 4. AND BE IT FURTHER ENACTED, That, for fiscal year 2022 only, the
33 funding provided to the Maryland Energy Innovation Fund from the Maryland Strategic
34 Energy Investment Fund under § 9-20B-05(f)(11) and (f-4) of the State Government
35 Article, as enacted by this Act, shall be reduced proportionally by the amount of any actual
36 transfers made to the Maryland Energy Innovation Fund from the Maryland Strategic

1 Energy Investment Fund under Chapters 364 and 365 of the Acts of the General Assembly
2 of 2017 for fiscal year 2022.

3 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2021.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.