

SENATE BILL 460

C8

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CF HB 419

By: **Senator Feldman**

Introduced and read first time: January 20, 2021

Assigned to: Finance

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; 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
16 Development Corporation and the Institute to coordinate with each other in
17 supporting certain technology companies; requiring the Institute and the Center to
18 implement a certain accelerator program in a certain manner and to consult with
19 certain State agencies; altering a certain reporting requirement to include certain
20 information regarding clean energy innovation in the State; altering the purposes of
21 the Maryland Strategic Energy Investment Fund to include providing a certain
22 amount of funding each fiscal year to the Maryland Energy Innovation Fund;
23 specifying the manner in which the funds may be used; providing for the elimination
24 of the position of a certain member of the Board; making conforming changes;
25 defining certain terms and altering certain definitions; and generally relating to the
26 Maryland Clean Energy Center, the Maryland Energy Innovation Institute, and
27 clean energy.

28 BY renumbering

29 Article – Economic Development

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 Section 10–801(g) through (p), respectively
2 to be Section 10–801(h) through (p) and (r), respectively
3 Annotated Code of Maryland
4 (2018 Replacement Volume and 2020 Supplement)
- 5 BY repealing and reenacting, without amendments,
6 Article – Economic Development
7 Section 9–101(a) and (c), 10–401(a) and (c), 10–402(a), 10–801(a) and (b), 10–806(a)
8 and (e), 10–807(a), 10–828(a), (c), and (d), 10–829(a), and 10–830(a)
9 Annotated Code of Maryland
10 (2018 Replacement Volume and 2020 Supplement)
- 11 BY adding to
12 Article – Economic Development
13 Section 10–402(d), 10–801(c), (g), and (q), and 10–821.1
14 Annotated Code of Maryland
15 (2018 Replacement Volume and 2020 Supplement)
- 16 BY repealing and reenacting, with amendments,
17 Article – Economic Development
18 Section 10–801(c) through (e), 10–802, 10–806(d), 10–807(b), 10–820, 10–823,
19 10–826, 10–829(d), 10–830(b), 10–834, 10–835, and 10–839
20 Annotated Code of Maryland
21 (2018 Replacement Volume and 2020 Supplement)
- 22 BY repealing
23 Article – Economic Development
24 Section 10–801(f)
25 Annotated Code of Maryland
26 (2018 Replacement Volume and 2020 Supplement)
- 27 BY repealing and reenacting, without amendments,
28 Article – State Government
29 Section 9–20B–05(a)
30 Annotated Code of Maryland
31 (2014 Replacement Volume and 2020 Supplement)
- 32 BY repealing and reenacting, with amendments,
33 Article – State Government
34 Section 9–20B–05(f)(10) and (11)
35 Annotated Code of Maryland
36 (2014 Replacement Volume and 2020 Supplement)
- 37 BY adding to
38 Article – State Government
39 Section 9–20B–05(f)(11) and (f–4)
40 Annotated Code of Maryland

1 (2014 Replacement Volume and 2020 Supplement)

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

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

8 **Article – Economic Development**

9 9–101.

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

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

12 10–401.

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

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

15 10–402.

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

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

21 10–801.

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

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

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

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

26 **(2) SOLAR HEATING;**

27 **(3) GEOTHERMAL;**

- 1 **(4) WIND;**
- 2 **(5) BIOFUELS;**
- 3 **(6) ETHANOL;**
- 4 **(7) OTHER QUALIFYING BIOMASS AS DEFINED IN § 7-701 OF THE**
5 **PUBLIC UTILITIES ARTICLE;**
- 6 **(8) OCEAN, INCLUDING ENERGY FROM WAVES, TIDES, CURRENTS,**
7 **AND THERMAL DIFFERENCES;**
- 8 **(9) A FUEL CELL THAT PRODUCES ENERGY WITH REDUCED**
9 **GREENHOUSE GAS EMISSIONS AS COMPARED TO CONVENTIONAL TECHNOLOGY;**
- 10 **(10) ENERGY EFFICIENCY AND CONSERVATION;**
- 11 **(11) COMBINED HEAT AND POWER;**
- 12 **(12) ENERGY STORAGE AND BATTERY TECHNOLOGIES;**
- 13 **(13) GRID MODERNIZATION, INCLUDING THE USE OF ARTIFICIAL**
14 **TECHNOLOGY AND INTEGRATED SYSTEMS FOR ENERGY DEMAND RESPONSE,**
15 **DEMAND MANAGEMENT TECHNOLOGY, AND IMPROVED ENERGY DISTRIBUTION;**
- 16 **(14) BIOTECHNOLOGY IN CLEAN ENERGY AND FOR THE REDUCTION OF**
17 **DIRECT AND INDIRECT AGRICULTURAL EMISSIONS;**
- 18 **(15) CARBON DIOXIDE REMOVAL AND MANAGEMENT OR REUSE;**
- 19 **(16) CLEAN FUELS AND DISPLACEMENT OF ENERGY-INTENSIVE**
20 **PRODUCTS;**
- 21 **(17) TRANSPORTATION ELECTRIFICATION AND MOBILITY**
22 **TECHNOLOGIES;**
- 23 **(18) NEW CONCEPTS TO IMPROVE SAFETY AND REDUCE THE COST OF**
24 **NUCLEAR POWER;**
- 25 **(19) CARBON-FREE GENERATION TECHNOLOGIES;**
- 26 **(20) ANY OTHER TECHNOLOGY OR SERVICE THAT THE CENTER**

1 DETERMINES WILL CONTRIBUTE DIRECTLY OR INDIRECTLY TO THE PRODUCTION OF
2 ENERGY FROM RENEWABLE OR SUSTAINABLE SOURCES, OR TO THE IMPROVEMENT
3 OF EFFICIENCY IN THE USE OF ENERGY; AND

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

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

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

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

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

11 [(f)] “Clean energy” includes:

12 (1) solar photovoltaic technology;

13 (2) solar heating;

14 (3) geothermal;

15 (4) wind;

16 (5) biofuels;

17 (6) ethanol;

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

20 (8) ocean, including energy from waves, tides, currents, and thermal
21 differences;

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

24 (10) energy efficiency and conservation;

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

28 (12) deployment of any of the technologies or services listed in items (1)

1 through (11) of this subsection.]

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

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

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

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

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

14 10-802.

15 (a) The General Assembly finds that:

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

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

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

33 (4) many individuals and businesses in the State possess talents and
34 interest in the clean energy technology sector, which may form the basis for encouraging
35 development and deployment of sustainable and renewable energy technologies in the

1 State, the nation, and the world;

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

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

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

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

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

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

20 (4) promote economic development; [and]

21 (5) **DESIGNATE THE MARYLAND CLEAN ENERGY CENTER AS THE**
22 **STATE GREEN BANK; AND**

23 ~~[(5)]~~ (6) 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; **AND**

22 **(6) SERVE AS THE STATE GREEN BANK.**

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

27 10–807.

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

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

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

3 **(2) THE DIRECTOR OF THE MARYLAND ENERGY INNOVATION**
4 **INSTITUTE, OR THE DIRECTOR OF THE MARYLAND ENERGY INNOVATION**
5 **INSTITUTE'S DESIGNEE; AND**

6 **[(2)] (3)** [eight] SEVEN members appointed by the Governor with the
7 advice and consent of the Senate:

8 (i) [two] ONE representing the nonprofit ADVANCED clean energy
9 research sector of the State;

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

11 (iii) two representing ADVANCED clean energy industries in the
12 State;

13 (iv) one consumer member; and

14 (v) one member of the general public.

15 10-820.

16 The Center may make grants to or provide equity investment financing for
17 ADVANCED clean energy technology-based businesses AND CLEAN ENERGY
18 INNOVATION BUSINESSES.

19 10-821.1.

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

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

24 **(1) MAY BE IN ANY FORM, INCLUDING BONDS, LOANS, GRANTS,**
25 **ENERGY PERFORMANCE CONTRACTS, SHARED ENERGY SAVINGS CONTRACTS,**
26 **PARTICIPATION AGREEMENTS, LEASE AGREEMENTS, AND REIMBURSEMENT**
27 **AGREEMENTS; BUT**

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

29 **(C) THE DEPARTMENT OF GENERAL SERVICES AND THE DEPARTMENT OF**

1 **BUDGET AND MANAGEMENT SHALL WORK WITH THE CENTER TO ENSURE THAT**
2 **FINANCING TRANSACTIONS UNDER THIS SECTION ARE EFFICIENT AND**
3 **COST-EFFECTIVE FOR THE STATE.**

4 10-823.

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

11 (b) The Center may:

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

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

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

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

25 10-826.

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

29 (b) The report shall include:

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

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

1 **(3) A SUMMARY OF THE CENTER’S ACTIVITIES SPECIFIC TO CLEAN**
2 **ENERGY INNOVATION.**

3 10–828.

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

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

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

7 10–829.

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

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

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

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

14 10–830.

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

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

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

19 (1) the chair of the Board of Directors of the Maryland Clean Energy
20 Center;

21 (2) the Director; and

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

26 10–834.

27 **(A)** The Institute may:

- 1 (1) maintain offices at the University of Maryland, College Park **CAMPUS**;
- 2 (2) coordinate and promote energy research and education at the
3 University of Maryland, College Park **CAMPUS**, including its relevant energy centers, as
4 well as at other academic institutions;
- 5 (3) provide energy policy innovation advice to State and federal units;
- 6 (4) collaborate with other academic institutions, governmental units,
7 foundations, and industrial companies for **ADVANCED** clean energy research and
8 innovation;
- 9 (5) pursue grants, other funds, and in-kind contributions for **ADVANCED**
10 clean energy research and innovation;
- 11 (6) provide seed grant funding to academic institution-based
12 entrepreneurs or entities, in order to promote the commercialization of **ADVANCED** clean
13 energy technologies developed wholly or partly by an academic institution, but not
14 duplicate existing seed grants made through the Maryland Technology Development
15 Corporation;
- 16 (7) work with the Maryland Technology Enterprise Institute to jointly
17 manage, operate, and maintain facilities for [a] **AN ADVANCED** clean energy **AND CLEAN**
18 **ENERGY INNOVATION** incubator at the University of Maryland, College Park **CAMPUS**;
- 19 (8) work with the Maryland Technology Enterprise Institute to expand
20 Maryland Industrial Partnership Awards to promote the commercialization of **ADVANCED**
21 clean energy **AND CLEAN ENERGY INNOVATION** technologies developed wholly or partly
22 by an academic institution;
- 23 (9) work with the Maryland Technology Enterprise Institute and the
24 University of Maryland Office of Technology Commercialization to:
- 25 (i) identify **ADVANCED CLEAN** energy **AND CLEAN ENERGY**
26 **INNOVATION** technologies at academic institutions that may be viable for
27 commercialization; and
- 28 (ii) provide grant funding and investment financing to cover patent,
29 facilities, and other costs not allowed under federal or state research grants to an academic
30 institution-based entrepreneur or entity, in order to promote the commercialization of
31 **ADVANCED** clean energy **AND CLEAN ENERGY INNOVATION** technologies developed
32 wholly or partly by an academic institution;
- 33 (10) coordinate incubation and potential financing of academic
34 institution-based entrepreneurs or entities with resources provided by the Center;

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

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

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

9 **(B) THE INSTITUTE SHALL COORDINATE WITH THE MARYLAND
10 TECHNOLOGY DEVELOPMENT CORPORATION IN SUPPORTING MARYLAND-BASED
11 TECHNOLOGY COMPANIES ENGAGED IN CLEAN ENERGY INNOVATION.**

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

16 **(2) IN CARRYING OUT THEIR RESPONSIBILITIES UNDER THIS
17 SUBSECTION, THE INSTITUTE AND THE CENTER SHALL CONSULT WITH THE
18 DEPARTMENT, THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION, THE
19 ADMINISTRATION, THE DEPARTMENT OF THE ENVIRONMENT, AND THE MARYLAND
20 INDUSTRIAL PARTNERSHIP AWARDS PROGRAM.**

21 10-835.

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

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

25 (b) (1) The Institute:

26 (i) may use the Fund to:

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

29 2. purchase advisory services and technical assistance to
30 better support economic development; and

31 3. pay the administrative, legal, and actuarial expenses of
32 the Institute; and

1 (ii) shall use the Fund for the administrative and operating costs of
2 the Center.

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

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

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

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

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

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

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

15 (e) The Fund consists of:

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

17 (2) money contributed to the Fund through federal programs or private
18 entities;

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

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

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

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

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

27 (ii) an investor providing an investment guaranteed by the Center
28 from the Fund;

29 (7) recovery of an investment made by the Center in a business enterprise
30 from the Fund, including an arrangement under which the Center's investment in the

1 business enterprise is recovered through:

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

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

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

9 (9) MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH §
10 9-20B-05 OF THE STATE GOVERNMENT ARTICLE; AND

11 [(9)] (10) any other money made available to the Institute for the Fund.

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

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

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

18 10-839.

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

22 (b) The report shall include:

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

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

27 (3) A SUMMARY OF:

28 (I) THE ANNUAL INCREASE IN THE NUMBER OF CLEAN ENERGY
29 INNOVATION BUSINESSES IN THE STATE;

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

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

5 **Article – State Government**

6 9–20B–05.

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

8 (f) The Administration shall use the Fund:

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

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

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

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

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

27 [[11]] **(12)** to pay the expenses of the Program.

28 **(F–4) OF THE FUNDS TRANSFERRED TO THE MARYLAND ENERGY**
 29 **INNOVATION FUND UNDER SUBSECTION (F)(11) OF THIS SECTION:**

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

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

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

10 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July
11 1, 2021.