

SENATE BILL 462

C5, M5
SB 740/20 – FIN

1lr1762
CF HB 379

By: **Senator Feldman**

Introduced and read first time: January 20, 2021

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Public Utilities – Low–Income Housing – Energy Performance Targets**

3 FOR the purpose of requiring the Public Service Commission to require the Department of
4 Housing and Community Development to procure or provide for electricity customers
5 certain programs and services designed to achieve a certain target starting in a
6 certain year and calculated in a certain manner under certain circumstances;
7 prohibiting certain programs and services from using thermal insulating materials
8 for building elements that contain certain substances under certain circumstances;
9 requiring the weather–normalized gross retail sales against which the savings are
10 measured to reflect certain sales and to be updated by the Commission for each of a
11 certain type of submitted plan; requiring the target annual incremental gross energy
12 savings to be achieved based on an average of Department plans; requiring the
13 Department, on or before a certain date, to submit a certain plan to the Commission;
14 providing for the contents of certain plans; requiring the Department to provide the
15 Commission with certain regular updates on plan implementation and progress
16 toward achieving certain electricity savings and a demand reduction target;
17 requiring the Commission to review a certain plan for adequacy; requiring the
18 Commission to work with the Department to establish certain procedures; requiring
19 the Department to develop a plan to coordinate and leverage funding sources to
20 support certain energy efficiency and other home upgrades; requiring the plan to
21 coordinate funding among certain sources; requiring the Department to collaborate
22 with the members of the Green and Healthy Task Force and other interested
23 stakeholders to develop the plan; requiring the Department to submit the plan to the
24 Governor and General Assembly on or before a certain date; establishing the Green
25 and Healthy Task Force; providing for the composition, chair, and staffing of the
26 Task Force; prohibiting a member of the Task Force from receiving certain
27 compensation, but authorizing the reimbursement of certain expenses; requiring the
28 Task Force to meet quarterly for a certain period of years; requiring the Task Force
29 to analyze and advance the coordination of resources to address the housing needs
30 of low–income communities; requiring the Task Force to engage with interested
31 parties and experts in the field of healthy and energy–efficient housing; requiring

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 the Task Force to report its findings and recommendations to the Secretary of
 2 Health, the Secretary of the Environment, the Public Service Commission, the
 3 Governor, and the General Assembly on or before a certain date and each year
 4 thereafter; requiring proceeds received by the Strategic Energy Investment Fund
 5 from a certain merger to be used, beginning in a certain fiscal year, exclusively for a
 6 certain purpose; defining certain terms; and generally relating to energy
 7 performance targets for low-income housing.

8 BY adding to

9 Article – Public Utilities

10 Section 7–211.1 and 7–211.2

11 Annotated Code of Maryland

12 (2020 Replacement Volume and 2020 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – State Government

15 Section 9–20B–05

16 Annotated Code of Maryland

17 (2014 Replacement Volume and 2020 Supplement)

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

19 That the Laws of Maryland read as follows:

20 **Article – Public Utilities**

21 **7–211.1.**

22 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
 23 **INDICATED.**

24 **(2) “DEPARTMENT” MEANS THE DEPARTMENT OF HOUSING AND**
 25 **COMMUNITY DEVELOPMENT.**

26 **(3) “LOW-INCOME PROGRAM” MEANS A PROGRAM THAT DELIVERS**
 27 **ENERGY EFFICIENCY MEASURES TO BUILDING OWNERS, MANAGERS, AND TENANTS**
 28 **IN HOUSING WITH RESIDENTS WHO HAVE AN INCOME BELOW 200% OF THE FEDERAL**
 29 **POVERTY LEVEL, MULTIFAMILY RENTAL HOUSING WITH EXISTING INCOME OR RENT**
 30 **RESTRICTIONS, OR MULTIFAMILY BUILDINGS WHERE MORE THAN 66% OF**
 31 **HOUSEHOLDS HAVE AN INCOME LESS THAN 80% OF THE AREA MEDIAN INCOME,**
 32 **INCLUDING THE FOLLOWING PROGRAMS OF THE DEPARTMENT:**

33 **(I) THE EMPOWER MARYLAND LOW INCOME ENERGY**
 34 **EFFICIENCY PROGRAM;**

35 **(II) THE MULTIFAMILY ENERGY EFFICIENCY AND HOUSING**

1 AFFORDABILITY PROGRAM; AND

2 (III) THE WEATHERIZATION ASSISTANCE PROGRAM.

3 (4) "LOW-INCOME RESIDENTIAL" MEANS A HOUSEHOLD WITH
4 RESIDENTS WHO HAVE AN INCOME BELOW 200% OF THE FEDERAL POVERTY LEVEL.

5 (5) "TASK FORCE" MEANS THE GREEN AND HEALTHY TASK FORCE
6 ESTABLISHED UNDER § 7-211.2 OF THIS SUBTITLE.

7 (B) (1) FOR THE 2021-2023 PROGRAM CYCLE, BY REGULATION OR
8 ORDER, THE COMMISSION SHALL, TO THE EXTENT THAT THE COMMISSION
9 DETERMINES THAT LOW-INCOME PROGRAMS ARE AVAILABLE, REQUIRE THE
10 DEPARTMENT TO PROCURE OR PROVIDE FOR ELECTRICITY CUSTOMERS ENERGY
11 EFFICIENCY AND CONSERVATION PROGRAMS AND SERVICES.

12 (2) THE PROGRAMS AND SERVICES REQUIRED UNDER PARAGRAPH
13 (1) OF THIS SUBSECTION SHALL BE DESIGNED TO ACHIEVE A TARGET ANNUAL
14 INCREMENTAL GROSS ENERGY SAVINGS OF AT LEAST 1% PER YEAR STARTING IN
15 2022.

16 (3) THE ENERGY SAVINGS DESCRIBED IN PARAGRAPH (2) OF THIS
17 SUBSECTION SHALL BE CALCULATED AS A PERCENTAGE OF THE 2019
18 WEATHER-NORMALIZED GROSS LOW-INCOME RESIDENTIAL RETAIL SALES FOR ALL
19 ELECTRIC COMPANIES.

20 (4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE
21 PROGRAMS AND SERVICES PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION
22 MAY NOT USE THERMAL INSULATING MATERIALS FOR BUILDING ELEMENTS,
23 INCLUDING WALLS, FLOORS, CEILINGS, ATTICS, AND ROOF INSULATION, THAT
24 CONTAIN:

25 1. FORMALDEHYDE; OR

26 2. ANY SUBSTANCE THAT IS A CATEGORY 1
27 RESPIRATORY SENSITIZER AS DEFINED IN 29 C.F.R. PART 1910 (APPENDIX A).

28 (II) THERMAL INSULATING MATERIALS FOR BUILDING
29 ELEMENTS MAY NOT CONTAIN A SUBSTANCE UNDER SUBPARAGRAPH (I) OF THIS
30 PARAGRAPH IF THE SUBSTANCE:

31 1. WAS INTENTIONALLY ADDED; OR

1 **(4) THE COMMISSION SHALL REVIEW A PLAN TO DETERMINE IF THE**
2 **PLAN IS ADEQUATE FOR ACHIEVING THE TARGET.**

3 **(F) THE COMMISSION SHALL WORK WITH THE DEPARTMENT TO ESTABLISH**
4 **ANY PROCEDURES NECESSARY TO DEVELOP AND IMPLEMENT A PLAN FOR**
5 **ACHIEVING THE ELECTRICITY SAVINGS AND DEMAND REDUCTION TARGET UNDER**
6 **SUBSECTION (B) OF THIS SECTION, INCLUDING SECURING COOPERATION FROM**
7 **ELECTRIC COMPANIES RELATED TO:**

8 **(1) FUNDING;**

9 **(2) COMMUNICATIONS;**

10 **(3) REFERRALS;**

11 **(4) DATA SHARING; AND**

12 **(5) ANY OTHER COOPERATION THAT THE COMMISSION DETERMINES**
13 **IS NECESSARY TO ACHIEVE THE ELECTRICITY SAVINGS UNDER SUBSECTION (B) OF**
14 **THIS SECTION.**

15 **(G) (1) THE DEPARTMENT SHALL DEVELOP A PLAN TO COORDINATE**
16 **FUNDING SOURCES AND LEVERAGE THE GREATEST FUNDING POSSIBLE TO**
17 **SUPPORT:**

18 **(I) HEALTH AND SAFETY UPGRADES;**

19 **(II) WEATHERIZATION;**

20 **(III) ENERGY EFFICIENCY; AND**

21 **(IV) OTHER GENERAL MAINTENANCE FOR LOW-INCOME**
22 **HOUSING.**

23 **(2) THE PLAN SHALL COORDINATE FUNDING AMONG:**

24 **(I) THE STRATEGIC ENERGY INVESTMENT FUND;**

25 **(II) FEDERAL WEATHERIZATION ASSISTANCE PROGRAMS;**

26 **(III) RATEPAYER CONTRIBUTIONS TO:**

27 **1. THE EMPOWER MARYLAND LOW-INCOME ENERGY**

1 **EFFICIENCY PROGRAM; AND**

2 **2. THE MULTIFAMILY ENERGY EFFICIENCY AND**
3 **HOUSING AFFORDABILITY PROGRAM;**

4 **(IV) THE MARYLAND AFFORDABLE HOUSING TRUST FUND;**

5 **(V) U.S. DEPARTMENT OF HOUSING AND URBAN**
6 **DEVELOPMENT PROGRAMS, INCLUDING:**

7 **1. COMMUNITY DEVELOPMENT BLOCK GRANTS;**

8 **2. THE HOME INVESTMENT PARTNERSHIP GRANTS**
9 **PROGRAM; AND**

10 **3. LEAD HAZARD CONTROL AND HEALTHY HOMES**
11 **GRANTS;**

12 **(VI) U.S. DEPARTMENT OF AGRICULTURE PROGRAMS,**
13 **INCLUDING THE HOME REPAIR PROGRAM;**

14 **(VII) THE HEALTHY HOMES FOR HEALTHY KIDS PROGRAM;**

15 **(VIII) STATE APPROPRIATIONS; AND**

16 **(IX) ANY OTHER SOURCE OF FUNDING THAT THE DEPARTMENT**
17 **OR THE TASK FORCE IDENTIFIES.**

18 **(3) THE DEPARTMENT SHALL COLLABORATE WITH THE MEMBERS OF**
19 **THE TASK FORCE AND IDENTIFY OTHER INTERESTED STAKEHOLDERS TO DEVELOP**
20 **THE PLAN.**

21 **(4) ON OR BEFORE DECEMBER 31, 2021, THE DEPARTMENT SHALL**
22 **SUBMIT THE PLAN TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE**
23 **STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.**

24 **7-211.2.**

25 **(A) THERE IS A GREEN AND HEALTHY TASK FORCE.**

26 **(B) THE TASK FORCE CONSISTS OF THE FOLLOWING MEMBERS:**

27 **(1) TWO MEMBERS OF THE SENATE OF MARYLAND, APPOINTED BY**

1 THE PRESIDENT OF THE SENATE;

2 (2) TWO MEMBERS OF THE HOUSE OF DELEGATES, APPOINTED BY
3 THE SPEAKER OF THE HOUSE;

4 (3) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT,
5 OR THE SECRETARY'S DESIGNEE;

6 (4) THE SECRETARY OF HEALTH, OR THE SECRETARY'S DESIGNEE;

7 (5) THE SECRETARY OF HUMAN SERVICES, OR THE SECRETARY'S
8 DESIGNEE;

9 (6) THE DIRECTOR OF THE MARYLAND ENERGY ADMINISTRATION,
10 OR THE DIRECTOR'S DESIGNEE; AND

11 (7) AS APPOINTED BY THE CHAIR OF THE TASK FORCE:

12 (I) ONE REPRESENTATIVE OF THE MARYLAND AFFORDABLE
13 HOUSING TRUST;

14 (II) ONE REPRESENTATIVE OF THE GREEN AND HEALTHY
15 HOMES INITIATIVE;

16 (III) ONE REPRESENTATIVE OF MARYLAND ENERGY
17 EFFICIENCY ADVOCATES;

18 (IV) ONE MEMBER WHO IS AN EXPERT IN PUBLIC HEALTH;

19 (V) ONE MEMBER FROM A COMMUNITY CONCERNED WITH
20 ENVIRONMENTAL JUSTICE;

21 (VI) ONE MEMBER WHO HAS RECEIVED ASSISTANCE FROM A
22 LOW-INCOME PROGRAM THAT DELIVERS ENERGY EFFICIENCY MEASURES; AND

23 (VII) OTHER MEMBERS AS DETERMINED BY THE CHAIR OF THE
24 TASK FORCE.

25 (C) THE SECRETARY OF HOUSING AND COMMUNITY DEVELOPMENT, OR
26 THE SECRETARY'S DESIGNEE, SHALL SERVE AS CHAIR OF THE TASK FORCE.

27 (D) THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
28 SHALL PROVIDE STAFF FOR THE TASK FORCE.

1 **(E) A MEMBER OF THE TASK FORCE:**

2 **(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE TASK**
3 **FORCE; BUT**

4 **(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE**
5 **STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.**

6 **(F) THE TASK FORCE SHALL:**

7 **(1) BEGINNING JULY 1, 2021, MEET QUARTERLY FOR A PERIOD OF 3**
8 **YEARS;**

9 **(2) ADVANCE THE ALIGNMENT, BRANDING, AND COORDINATION OF**
10 **RESOURCES TO MORE EFFECTIVELY DELIVER GREEN AND HEALTHY HOUSING FOR**
11 **LOW-INCOME HOUSEHOLDS IN THE STATE;**

12 **(3) EXAMINE THE PUBLIC AND PRIVATE RESOURCES NEEDED TO**
13 **ADDRESS THE HOUSING NEEDS OF LOW-INCOME COMMUNITIES;**

14 **(4) DEVELOP POLICY AND STATUTORY RECOMMENDATIONS TO**
15 **ELIMINATE BARRIERS FROM LOW-INCOME HOUSEHOLDS ACHIEVING HEALTHY,**
16 **ENERGY-EFFICIENT, AND AFFORDABLE HOUSING; AND**

17 **(5) ENGAGE WITH INTERESTED PARTIES AND COLLABORATE WITH**
18 **OTHER ENTITIES THAT CAN HELP ADVANCE THE GOALS OF THE TASK FORCE,**
19 **INCLUDING EXPERTS IN THE FIELD OF HEALTHY AND ENERGY-EFFICIENT HOUSING.**

20 **(G) ON OR BEFORE JULY 1, 2022, AND EACH JULY 1 THEREAFTER, THE**
21 **TASK FORCE SHALL REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE**
22 **SECRETARY OF HEALTH, THE SECRETARY OF THE ENVIRONMENT, THE**
23 **COMMISSION, THE GOVERNOR, AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE**
24 **GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.**

25 **Article – State Government**

26 9-20B-05.

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

28 (b) The purpose of the Fund is to implement the Strategic Energy Investment
29 Program.

1 (c) The Administration shall administer the Fund.

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

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

6 (e) The Fund consists of:

7 (1) all of the proceeds from the sale of allowances under § 2–1002(g) of the
8 Environment Article;

9 (2) money appropriated in the State budget to the Program;

10 (3) repayments and prepayments of principal and interest on loans made
11 from the Fund;

12 (4) interest and investment earnings on the Fund;

13 (5) compliance fees paid under § 7–705 of the Public Utilities Article;

14 (6) money received from any public or private source for the benefit of the
15 Fund; and

16 (7) money transferred from the Public Service Commission under §
17 7–207.2(c)(3) of the Public Utilities Article.

18 (f) The Administration shall use the Fund:

19 (1) to invest in the promotion, development, and implementation of:

20 (i) cost-effective energy efficiency and conservation programs,
21 projects, or activities, including measurement and verification of energy savings;

22 (ii) renewable and clean energy resources;

23 (iii) climate change programs directly related to reducing or
24 mitigating the effects of climate change; and

25 (iv) demand response programs that are designed to promote
26 changes in electric usage by customers in response to:

27 1. changes in the price of electricity over time; or

28 2. incentives designed to induce lower electricity use at times
29 of high wholesale market prices or when system reliability is jeopardized;

1 (2) to provide targeted programs, projects, activities, and investments to
2 reduce electricity consumption by customers in the low-income and moderate-income
3 residential sectors;

4 (3) to provide supplemental funds for low-income energy assistance
5 through the Electric Universal Service Program established under § 7-512.1 of the Public
6 Utilities Article and other electric assistance programs in the Department of Human
7 Services;

8 (4) to provide rate relief by offsetting electricity rates of residential
9 customers, including an offset of surcharges imposed on ratepayers under § 7-211 of the
10 Public Utilities Article;

11 (5) to provide grants, loans, and other assistance and investment as
12 necessary and appropriate to implement the purposes of the Program as set forth in §
13 9-20B-03 of this subtitle;

14 (6) to implement energy-related public education and outreach initiatives
15 regarding reducing energy consumption and greenhouse gas emissions;

16 (7) to provide rebates under the Electric Vehicle Recharging Equipment
17 Rebate Program established under § 9-2009 of this title;

18 (8) to provide grants to encourage combined heat and power projects at
19 industrial facilities;

20 (9) subject to subsections (f-1) and (f-3) of this section, to provide
21 \$7,000,000 in funding for access to capital for small, minority, women-owned, and
22 veteran-owned businesses in the clean energy industry under § 5-1501 of the Economic
23 Development Article, allocated in annual increments as follows:

24 (i) \$200,000 in fiscal year 2021;

25 (ii) \$500,000 in fiscal year 2022;

26 (iii) \$500,000 in fiscal year 2023;

27 (iv) \$1,000,000 in fiscal year 2024; and

28 (v) \$1,200,000 in each fiscal year from 2025 through 2028;

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

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

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

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

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

13 (f-1) (1) Any funding provided under subsection (f)(9) of this section that is not
14 spent in a given fiscal year shall revert to the Fund in the following fiscal year.

15 (2) Funding that is provided for access to capital for small, minority,
16 women-owned, and veteran-owned businesses under subsection (f)(9) of this section shall
17 be used to provide grants to eligible fund managers to provide investment capital, including
18 equity and similar investments, and loans to small, minority, women-owned, and
19 veteran-owned businesses in the State in the clean energy industry.

20 (3) Eligible fund managers receiving grants under subsection (f)(9) of this
21 section may use a portion of the money received to pay ordinary and reasonable expenses
22 for administrative, actuarial, legal, marketing, and technical services and management
23 fees.

24 (4) The Administration may provide additional funding for the purposes
25 stated in subsection (f)(9) of this section.

26 (f-2) An \$8,000,000 payment for workforce development programs under
27 subsection (f)(10) of this section starting in fiscal year 2021 shall be derived from the
28 Renewable Energy, Climate Change account of the Fund.

29 (f-3) Funding under subsection (f)(9) and (10) of this section for access to capital,
30 investment, promotion, or implementation should be directed only to businesses that agree
31 to create and maintain jobs that promote family-sustaining wages, employer-provided
32 health care with affordable deductibles and co-pays, career advancement training, fair
33 scheduling, employer-paid workers' compensation and unemployment insurance, a
34 retirement plan, paid time off, and the right to bargain collectively for wages and benefits.

35 (g) Proceeds received by the Fund from the sale of allowances under § 2-1002(g)
36 of the Environment Article shall be allocated as follows:

1 (1) at least 50% shall be credited to an energy assistance account to be used
2 for the Electric Universal Service Program and other electricity assistance programs in the
3 Department of Human Services;

4 (2) at least 20% shall be credited to a low and moderate income efficiency
5 and conservation programs account and to a general efficiency and conservation programs
6 account for energy efficiency and conservation programs, projects, or activities and demand
7 response programs, of which at least one-half shall be targeted to the low and moderate
8 income efficiency and conservation programs account for:

9 (i) the low-income residential sector at no cost to the participants
10 of the programs, projects, or activities; and

11 (ii) the moderate-income residential sector;

12 (3) at least 20% shall be credited to a renewable and clean energy programs
13 account for:

14 (i) renewable and clean energy programs and initiatives;

15 (ii) energy-related public education and outreach; and

16 (iii) climate change and resiliency programs; and

17 (4) up to 10%, but not more than \$5,000,000, shall be credited to an
18 administrative expense account for costs related to the administration of the Fund,
19 including the review of electric company plans for achieving electricity savings and demand
20 reductions that the electric companies are required under law to submit to the
21 Administration.

22 (h) (1) Energy efficiency and conservation programs under subsection (g)(2) of
23 this section include:

24 (i) low-income energy efficiency programs;

25 (ii) residential and small business energy efficiency programs;

26 (iii) commercial and industrial energy efficiency programs;

27 (iv) State and local energy efficiency programs;

28 (v) demand response programs;

29 (vi) loan programs and alternative financing mechanisms; and

30 (vii) grants to training funds and other organizations supporting job
31 training for deployment of energy efficiency and energy conservation technology and

1 equipment.

2 (2) Energy-related public education and outreach and renewable and clean
3 energy programs and initiatives under subsection (g)(3)(i) and (ii) of this section include:

4 (i) production incentives for specified renewable energy sources;

5 (ii) expansion of existing grant programs for solar, geothermal, and
6 wind programs;

7 (iii) loan programs and alternative financing mechanisms; and

8 (iv) consumer education and outreach programs that are designed to
9 reach low-income communities.

10 (i) (1) In this subsection, “low-income” means having an annual household
11 income that is at or below 175% of the federal poverty level.

12 (2) Except as provided in paragraph (3) of this subsection, compliance fees
13 paid under § 7-705(b) of the Public Utilities Article may be used only to make loans and
14 grants to support the creation of new Tier 1 renewable energy sources in the State that are
15 owned by or directly benefit low-income residents of the State.

16 (3) Compliance fees paid under § 7-705(b)(2)(i)2 of the Public Utilities
17 Article shall be accounted for separately within the Fund and may be used only to make
18 loans and grants to support the creation of new solar energy sources in the State that are
19 owned by or directly benefit low-income residents of the State.

20 (j) (1) The Treasurer shall invest the money of the Fund in the same manner
21 as other State money may be invested.

22 (2) Any investment earnings of the Fund shall be paid into the Fund.

23 (3) Any repayment of principal and interest on loans made from the Fund
24 shall be paid into the Fund.

25 (4) Balances in the Fund shall be held for the benefit of the Program, shall
26 be expended solely for the purposes of the Program, and may not be used for the general
27 obligations of government.

28 (k) Expenditures from the Fund shall be made by:

29 (1) an appropriation in the annual State budget; or

30 (2) a budget amendment in accordance with § 7-209 of the State Finance
31 and Procurement Article.

1 (l) An expenditure by budget amendment may be made under subsection (k) of
2 this section only after:

3 (1) the Administration has submitted the proposed budget amendment and
4 supporting documentation to the Senate Budget and Taxation Committee, Senate Finance
5 Committee, House Appropriations Committee, and House Economic Matters Committee;
6 and

7 (2) the committees have had 45 days for review and comment.

8 (m) (1) A loan or grant made available from the Fund to a unit of State or local
9 government shall comply with §§ 14–416 and 17–303 of the State Finance and Procurement
10 Article.

11 (2) At least 80% of workers participating in a project or program that
12 receives money from the Fund must reside within 50 miles of the project or program, or
13 another distance defined by the local jurisdiction where the project or program is located.

14 (N) **PROCEEDS THAT ARE RECEIVED BY THE FUND FROM THE MERGER OF**
15 **ALTAGAS LTD. AND WGL HOLDINGS, INC., APPROVED BY THE PUBLIC SERVICE**
16 **COMMISSION IN ORDER NO. 88631 IN CASE NO. 9449 ON APRIL 4, 2018, AND THAT**
17 **REMAIN UNSPENT OR UNENCUMBERED AS OF JUNE 30, 2021, SHALL BE USED,**
18 **BEGINNING IN FISCAL YEAR 2022, EXCLUSIVELY FOR THE DEPARTMENT OF**
19 **HOUSING AND COMMUNITY DEVELOPMENT TO PROVIDE LOW-INCOME**
20 **RESIDENTIAL WEATHERIZATION AS PART OF THE ELECTRIC UNIVERSAL SERVICE**
21 **PROGRAM UNDER § 7–512.1 OF THE PUBLIC UTILITIES ARTICLE.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2021.