

HOUSE BILL 310

M5, C8, M3

3lr0439

By: **Delegate Rosenberg**

Introduced and read first time: January 25, 2023

Assigned to: Environment and Transportation and Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Environment and Energy – Investment in Communities With Low- to**
3 **Moderate-Income Households**

4 FOR the purpose of requiring the Department of the Environment, on or before a certain
5 date, to develop certain policies and recommendations to require a certain
6 percentage of overall spending on certain programs, projects, and investments to
7 benefit certain communities with low- to moderate-income households, starting
8 with a certain fiscal year; requiring the Department to review certain guidelines and
9 recommendations on or before a certain date and every certain number of years
10 thereafter; requiring the Department to conduct public information-gathering
11 sessions to solicit input from communities with low- to moderate-income households
12 and the public to achieve a certain investment requirement; requiring the
13 Department to work with the Commission on Environmental Justice and
14 Sustainable Communities to develop recommendations to identify and provide
15 assistance to communities with low- to moderate-income households; requiring
16 certain State and local governmental units to invest or direct certain resources in a
17 certain manner in consultation with certain agencies; requiring certain federal
18 funding appropriated in certain manners to be given priority in a certain manner
19 with a certain exception; and generally relating to investment in programs related
20 to the environment and energy in communities with low- to moderate-income
21 households.

22 BY adding to
23 Article – Environment
24 Section 1-703
25 Annotated Code of Maryland
26 (2013 Replacement Volume and 2022 Supplement)

27 Preamble

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 WHEREAS, The State of Maryland has been a leader in addressing issues of
2 environmental justice from the cumulative effects of disparate impacts on historically
3 burdened and disadvantaged communities, which are often communities with low- and
4 moderate-income households, overburdened communities, and in developing sustainable
5 communities, through the establishment of a Commission on Environmental Justice and
6 Sustainable Communities and other legislation; and

7 WHEREAS, The State of Maryland has also been a leader in addressing issues of the
8 environmental and economic impacts of climate change, through legislation requiring the
9 State to participate in the Regional Greenhouse Gas Initiative, establishing a Commission
10 on Climate Change, and the concomitant establishment of greenhouse gas emissions
11 reductions for the State; and

12 WHEREAS, The effects of climate change loom large over our State as a whole,
13 potentially impairing our ability to develop and maintain sustainable communities, but
14 may also have a disproportionately large impact on historically burdened and
15 disadvantaged communities, particularly communities with low- and moderate-income
16 households, and overburdened communities; and

17 WHEREAS, The Clean Water Commerce Act of 2021 specifies that a percentage of
18 the Clean Water Commerce Account must be used to procure environmental outcomes from
19 projects established in communities disproportionately burdened by environmental harms
20 and risks, as specified; and

21 WHEREAS, It would be beneficial to the State to follow the example of New York
22 State, which is pioneering the Climate Leadership and Community Protection Act in
23 response to increasing and cumulative climate impacts that have had a heightened impact
24 on disadvantaged communities, communities with low- and moderate-income households,
25 and overburdened communities in that state, particularly from acid rain and increased
26 tropical storm impacts; now, therefore,

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
28 That the Laws of Maryland read as follows:

29 **Article – Environment**

30 **1-703.**

31 **(A) IN THIS SECTION, “LOW- TO MODERATE-INCOME HOUSEHOLD” MEANS**
32 **A HOUSEHOLD LOCATED IN A CENSUS TRACT WITH AN AVERAGE MEDIAN INCOME AT**
33 **OR BELOW 80% OF THE AVERAGE MEDIAN INCOME FOR THE STATE.**

34 **(B) (1) ON OR BEFORE DECEMBER 1, 2023, THE DEPARTMENT SHALL**
35 **DEVELOP POLICIES AND RECOMMENDATIONS TO REQUIRE AT LEAST 40% OF**
36 **OVERALL SPENDING ON THE PROGRAMS, PROJECTS, AND INVESTMENTS LISTED**
37 **UNDER SUBSECTION (C) OF THIS SECTION TO BENEFIT COMMUNITIES WITH LOW- TO**

1 MODERATE-INCOME HOUSEHOLDS.

2 (2) ON OR BEFORE OCTOBER 1, 2025, AND EVERY 2 YEARS
3 THEREAFTER, THE DEPARTMENT:

4 (I) SHALL REVIEW ITS GUIDELINES AND RECOMMENDATIONS,
5 INCLUDING THE CRITERIA AND METHODS USED TO IDENTIFY COMMUNITIES WITH
6 LOW- TO MODERATE-INCOME HOUSEHOLDS; AND

7 (II) MAY RECOMMEND MODIFICATIONS BASED ON NEW DATA
8 AND OTHER INFORMATION.

9 (3) ON OR BEFORE OCTOBER 1 EACH YEAR, BEGINNING IN 2025, THE
10 DEPARTMENT SHALL SUBMIT A REPORT OF ITS ACTIVITIES AND
11 RECOMMENDATIONS TO THE GOVERNOR AND, SUBJECT TO § 2-1257 OF THE STATE
12 GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

13 (C) (1) THE POLICIES AND RECOMMENDATIONS UNDER SUBSECTION (B)
14 OF THIS SECTION APPLY, STARTING WITH FISCAL YEAR 2025, IN EACH FISCAL YEAR
15 TO SPENDING ON PROGRAMS, PROJECTS, AND INVESTMENTS IN THE AREAS OF:

16 (I) GREEN INFRASTRUCTURE;

17 (II) CLIMATE CHANGE;

18 (III) CLEAN ENERGY AND ENERGY EFFICIENCY;

19 (IV) CLEAN TRANSPORTATION;

20 (V) AFFORDABLE AND SUSTAINABLE HOUSING;

21 (VI) TRAINING AND WORKFORCE DEVELOPMENT RELATED TO:

22 1. CLIMATE;

23 2. NATURAL DISASTERS;

24 3. THE ENVIRONMENT;

25 4. CLEAN ENERGY;

26 5. CLEAN TRANSPORTATION;

- 1 **6. HOUSING;**
- 2 **7. WATER AND WASTEWATER INFRASTRUCTURE; AND**
- 3 **8. LEGAL POLLUTION REDUCTION;**
- 4 **(VII) REMEDIATION AND REDUCTION OF LEGACY POLLUTION;**
5 **AND**
- 6 **(VIII) CRITICAL CLEAN WATER AND WASTE INFRASTRUCTURE.**

7 **(2) THE SPENDING ON PROGRAMS, PROJECTS, AND INVESTMENTS**
8 **LISTED UNDER PARAGRAPH (1) OF THIS SUBSECTION INCLUDES PROGRAMS,**
9 **PROJECTS, AND INVESTMENTS THAT ARE WHOLLY OR PARTLY FUNDED UNDER:**

- 10 **(I) § 5-1501 OF THE ECONOMIC DEVELOPMENT ARTICLE;**
- 11 **(II) § 11-708.1 OF THE LABOR AND EMPLOYMENT ARTICLE;**
12 **AND**
- 13 **(III) TITLE 9, SUBTITLES 20A, 20B, AND 20C OF THE STATE**
14 **GOVERNMENT ARTICLE.**

15 **(D) (1) TO ACHIEVE THE INVESTMENT REQUIRED UNDER THIS SECTION,**
16 **THE DEPARTMENT SHALL CONDUCT PUBLIC INFORMATION-GATHERING SESSIONS**
17 **IN DIFFERENT AREAS OF THE STATE TO SOLICIT INPUT FROM COMMUNITIES WITH**
18 **LOW- TO MODERATE-INCOME HOUSEHOLDS AND THE PUBLIC.**

19 **(2) AFTER THE PUBLIC CONSULTATION UNDER PARAGRAPH (1) OF**
20 **THIS SUBSECTION, THE DEPARTMENT SHALL WORK WITH THE COMMISSION TO**
21 **DEVELOP SPECIFIC RECOMMENDATIONS TO IDENTIFY AND PROVIDE ASSISTANCE TO**
22 **COMMUNITIES WITH LOW- TO MODERATE-INCOME HOUSEHOLDS, INCLUDING**
23 **LEGISLATIVE AND REGULATORY CHANGES TO ACHIEVE THE INVESTMENT REQUIRED**
24 **UNDER THIS SECTION.**

25 **(E) STATE AND LOCAL GOVERNMENTAL UNITS, IN CONSULTATION WITH**
26 **THE DEPARTMENT, THE COMMISSION, THE PUBLIC SERVICE COMMISSION, AND**
27 **THE MARYLAND ENERGY ADMINISTRATION, SHALL, TO THE EXTENT PRACTICABLE,**
28 **INVEST OR DIRECT AVAILABLE AND RELEVANT PROGRAMMATIC RESOURCES IN A**
29 **MANNER DESIGNED TO ACHIEVE THE INVESTMENT TO BENEFIT COMMUNITIES WITH**
30 **LOW- TO MODERATE-INCOME HOUSEHOLDS UNDER THIS SECTION.**

31 **(F) (1) (I) FEDERAL FUNDS APPROPRIATED EITHER IN THE BUDGET**

1 BILL OR BY BUDGET AMENDMENT TO AGENCIES AND PROGRAMS RECEIVING FUNDS
2 FOR PROGRAMS, PROJECTS, AND INVESTMENTS LISTED UNDER SUBSECTION (C) OF
3 THIS SECTION SHALL BE GIVEN PRIORITY IN A MANNER THAT PROVIDES FUNDING
4 TO COMMUNITIES WITH LOW- TO MODERATE-INCOME HOUSEHOLDS UNDER THIS
5 SECTION.

6 (II) FUNDS SUBJECT TO THIS SUBSECTION INCLUDE THOSE
7 FUNDS APPROPRIATED TO:

8 1. THE MARYLAND ENERGY ADMINISTRATION
9 (PROGRAMS D13A13.02, D13A13.06, D13A13.07, AND D13A13.08); AND

10 2. THE DEPARTMENT (PROGRAMS U00A01.03,
11 U00A01.04, U00A01.05, U00A01.11, U00A01.12, U00A04.01, U00A06.01, AND
12 U00A07.01).

13 (2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO A
14 PROGRAM OR AN ACTIVITY TO THE EXTENT THAT THE REQUIREMENT CONFLICTS
15 WITH FEDERAL LAW OR REGULATIONS FOR THAT PROGRAM OR ACTIVITY.

16 (3) (I) ON OR BEFORE DECEMBER 31, 2023, AND EACH DECEMBER
17 31 THEREAFTER, THE DEPARTMENT OF BUDGET AND MANAGEMENT, IN
18 COORDINATION WITH THE APPROPRIATE STATE UNITS, SHALL SUBMIT AN ANNUAL
19 REPORT TO THE SENATE BUDGET AND TAXATION COMMITTEE AND THE HOUSE
20 APPROPRIATIONS COMMITTEE, IN ACCORDANCE WITH § 2-1257 OF THE STATE
21 GOVERNMENT ARTICLE.

22 (II) THE REPORT SHALL PROVIDE INFORMATION ON:

23 1. THE AMOUNT OF FEDERAL FUNDS APPROPRIATED
24 FOR THE PROGRAMS, PROJECTS, AND INVESTMENTS LISTED UNDER SUBSECTION (C)
25 OF THIS SECTION; AND

26 2. THE SHARE OF FUNDS DIRECTED TO OVERBURDENED
27 COMMUNITIES UNDER THIS SECTION.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 2023.