

**Department of Legislative Services**  
Maryland General Assembly  
2024 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 918 (Senator Brooks)  
Education, Energy, and the Environment

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**Retail Choice Customer Education and Protection Fund - Purposes and Uses**

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This bill renames the Retail Choice Customer Education and Protection Fund to be the Education and Protection Fund and alters the purposes and permissible uses of the fund to include (1) educating customers on energy choices that help meet the State’s climate commitments, as specified, and (2) developing a training and educational program for electricity and gas suppliers. A conforming change is made to allow funding for the currently required supplier training and educational program to include the Education and Protection Fund.

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**Fiscal Summary**

**State Effect:** The Public Service Commission (PSC) can handle the bill’s requirements with existing budgeted resources. PSC advises that special funds from retail supplier penalties in the (renamed) Education and Protection Fund will be used as they become available to fund (1) a new climate policy customer education program and (2) the currently required, but unfunded, supplier education program. Funding for retail customer education is expected to remain unchanged. In any particular year, special fund expenditures for PSC may be more or less than they otherwise would have been, as limited funds from retail supplier penalties are used for different purposes under the bill. Annual differences are likely modest, based on recent annual expenditures from the fund of about \$450,000.

**Local Effect:** The bill does not materially affect local government finances or operations.

**Small Business Effect:** Minimal.

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## Analysis

**Current Law:** Chapter 134 of 2016 established the Retail Choice Customer Education and Protection Fund in PSC. The purpose of the fund is to provide resources to improve PSC's ability to (1) educate customers on retail electric and gas choice and (2) protect customers from unfair, false, misleading, or deceptive practices by electricity or gas suppliers. The fund may be used only for these purposes. Revenues from specified civil penalties assessed on energy suppliers accrue to the fund, rather than the general fund. The fund consists of (1) the revenues from the related civil penalties; (2) money appropriated in the State budget to the fund; and (3) any other money from any other source accepted for the benefit of the fund.

Chapters 373 and 374 of 2020 required PSC to develop a training and educational program, in consultation with interested stakeholders, for any entity or individual that is licensed by PSC as an electricity supplier or a gas supplier, subject to specified requirements. The program must require that a designated representative of each licensed electricity supplier or licensed gas supplier demonstrate a thorough understanding of relevant PSC regulations. PSC must conduct an examination at the end of the training and certify that the designated representative has successfully completed the training. PSC may recover the initial costs of the program through its standard assessment and may establish reasonable fees for the program. In practice, the program has yet to be funded.

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## Additional Information

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Public Service Commission; Maryland Department of the Environment; Office of People's Counsel; Department of Legislative Services

**Fiscal Note History:** First Reader - February 29, 2024  
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