

# HOUSE BILL 145

P1, M5  
HB 660/24 – ECM & APP

(PRE-FILED)

5lr1300  
CF SB 105

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By: **Delegate Boafo**

Requested: October 22, 2024

Introduced and read first time: January 8, 2025

Assigned to: Economic Matters and Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Green and Renewable Energy for Nonprofit Organizations Loan Program and**  
3 **Fund**

4 FOR the purpose of establishing the Green and Renewable Energy for Nonprofit  
5 Organizations Loan Program in the Maryland Energy Administration to provide  
6 financial assistance to nonprofit organizations for the planning, purchase, and  
7 installation of qualifying energy systems; establishing the Green and Renewable  
8 Energy for Nonprofit Organizations Loan Fund as a special, nonlapsing fund;  
9 requiring interest earnings of the Green and Renewable Energy for Nonprofit  
10 Organizations Loan Fund to be paid into the Green and Renewable Energy for  
11 Nonprofit Organizations Loan Fund; altering the uses of the Maryland Strategic  
12 Energy Investment Fund to include providing funds to the Green and Renewable  
13 Energy for Nonprofit Organizations Loan Fund; and generally relating to the Green  
14 and Renewable Energy for Nonprofit Organizations Loan Program and Fund.

15 BY repealing and reenacting, without amendments,  
16 Article – State Finance and Procurement  
17 Section 6–226(a)(2)(i)  
18 Annotated Code of Maryland  
19 (2021 Replacement Volume and 2024 Supplement)

20 BY repealing and reenacting, with amendments,  
21 Article – State Finance and Procurement  
22 Section 6–226(a)(2)(ii)204. and 205.  
23 Annotated Code of Maryland  
24 (2021 Replacement Volume and 2024 Supplement)

25 BY adding to  
26 Article – State Finance and Procurement  
27 Section 6–226(a)(2)(ii)206.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2021 Replacement Volume and 2024 Supplement)

3 BY repealing and reenacting, without amendments,  
4 Article – State Government  
5 Section 9–20B–05(a)  
6 Annotated Code of Maryland  
7 (2021 Replacement Volume and 2024 Supplement)

8 BY repealing and reenacting, with amendments,  
9 Article – State Government  
10 Section 9–20B–05(f)(12) and (13)  
11 Annotated Code of Maryland  
12 (2021 Replacement Volume and 2024 Supplement)

13 BY adding to  
14 Article – State Government  
15 Section 9–20B–05(f)(13); and 9–2101 through 9–2107 to be under the new subtitle  
16 “Subtitle 21. Green and Renewable Energy for Nonprofit Organizations Loan  
17 Program”  
18 Annotated Code of Maryland  
19 (2021 Replacement Volume and 2024 Supplement)

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

22 **Article – State Finance and Procurement**

23 6–226.

24 (a) (2) (i) 1. This subparagraph does not apply in fiscal years 2024  
25 through 2028.

26 2. Notwithstanding any other provision of law, and unless  
27 inconsistent with a federal law, grant agreement, or other federal requirement or with the  
28 terms of a gift or settlement agreement, net interest on all State money allocated by the  
29 State Treasurer under this section to special funds or accounts, and otherwise entitled to  
30 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General  
31 Fund of the State.

32 (ii) The provisions of subparagraph (i) of this paragraph do not apply  
33 to the following funds:

34 204. the Climate Technology Founder’s Fund; [and]

35 205. the Victims of Domestic Violence Program Grant Fund;

36 **AND**

1                   **206. THE GREEN AND RENEWABLE ENERGY FOR**  
2 **NONPROFIT ORGANIZATIONS LOAN FUND.**

3                                   **Article – State Government**

4 9–20B–05.

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

6           (f)     The Administration shall use the Fund:

7                   (12)   to provide grants through the Customer–Sited Solar Program under §  
8 9–2016 of this title; [and]

9                   **(13) TO PROVIDE FUNDS TO THE GREEN AND RENEWABLE ENERGY**  
10 **FOR NONPROFIT ORGANIZATIONS LOAN FUND ESTABLISHED UNDER § 9–2107 OF**  
11 **THIS TITLE; AND**

12                   [[13]] **(14)** to pay the expenses of the Program.

13                   **SUBTITLE 21. GREEN AND RENEWABLE ENERGY FOR NONPROFIT**  
14 **ORGANIZATIONS LOAN PROGRAM.**

15 **9–2101.**

16           **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**  
17 **INDICATED.**

18           **(B) “ADMINISTRATION” MEANS THE MARYLAND ENERGY**  
19 **ADMINISTRATION.**

20           **(C) “BORROWER” MEANS A NONPROFIT ORGANIZATION THAT APPLIES AND**  
21 **QUALIFIES FOR A LOAN UNDER THE PROGRAM.**

22           **(D) “FUND” MEANS THE GREEN AND RENEWABLE ENERGY FOR**  
23 **NONPROFIT ORGANIZATIONS LOAN FUND.**

24           **(E) “NONPROFIT ORGANIZATION” MEANS AN ORGANIZATION THAT IS**  
25 **EXEMPT FROM FEDERAL INCOME TAX UNDER § 501(C)(3) OF THE INTERNAL**  
26 **REVENUE CODE.**

27           **(F) “PROGRAM” MEANS THE GREEN AND RENEWABLE ENERGY FOR**  
28 **NONPROFIT ORGANIZATIONS LOAN PROGRAM.**

1 (G) "QUALIFYING ENERGY SYSTEM" MEANS A SYSTEM THAT:

2 (1) GENERATES ELECTRICITY OR USABLE THERMAL ENERGY THAT IS  
3 USED TO MEET ON-SITE DEMAND; AND

4 (2) ASSISTS THE STATE IN MEETING THE ENVIRONMENTAL AND  
5 GREENHOUSE GAS REDUCTION GOALS UNDER TITLE 2, SUBTITLE 12 OF THE  
6 ENVIRONMENT ARTICLE.

7 9-2102.

8 THERE IS A GREEN AND RENEWABLE ENERGY FOR NONPROFIT  
9 ORGANIZATIONS LOAN PROGRAM IN THE ADMINISTRATION.

10 9-2103.

11 THE PURPOSE OF THE PROGRAM IS TO PROVIDE FINANCIAL ASSISTANCE IN  
12 THE FORM OF NO-INTEREST LOANS TO NONPROFIT ORGANIZATIONS FOR THE  
13 PLANNING, PURCHASE, AND INSTALLATION OF QUALIFYING ENERGY SYSTEMS IN  
14 THE STATE.

15 9-2104.

16 THE ADMINISTRATION SHALL:

17 (1) MANAGE, SUPERVISE, AND ADMINISTER THE PROGRAM;

18 (2) ADOPT REGULATIONS TO ENSURE THAT LOANS PROVIDED TO  
19 NONPROFIT ORGANIZATIONS CARRY OUT THE PURPOSE OF THE PROGRAM; AND

20 (3) ATTACH TO ANY LOAN SPECIFIC TERMS THAT ARE CONSIDERED  
21 NECESSARY TO ENSURE THAT THE PURPOSE OF THE PROGRAM IS FULFILLED.

22 9-2105.

23 (A) (1) A BORROWER MUST FILE AN APPLICATION WITH THE  
24 ADMINISTRATION TO RECEIVE A LOAN UNDER THE PROGRAM.

25 (2) THE APPLICATION MUST BE SIGNED BY THE CHIEF OPERATING  
26 OFFICER OR AN AUTHORIZED OFFICER OF THE NONPROFIT ORGANIZATION.

27 (B) THE APPLICATION MUST CONTAIN ANY INFORMATION THE  
28 ADMINISTRATION DETERMINES IS NECESSARY, INCLUDING:

29 (1) THE PROJECTED COST OF THE QUALIFYING ENERGY SYSTEM OR

1 TECHNICAL ASSISTANCE BEING FINANCED THROUGH THE LOAN;

2 (2) THE LOCATION OF THE PROPERTY WHERE THE QUALIFYING  
3 ENERGY SYSTEM WILL BE INSTALLED AND WHETHER THE PROPERTY IS OWNED OR  
4 LEASED BY THE APPLICANT; AND

5 (3) ANY ADDITIONAL INFORMATION RELATING TO THE BORROWER OR  
6 THE PROPOSED QUALIFYING ENERGY SYSTEM BEING FINANCED THROUGH THE  
7 LOAN THAT MAY BE REQUIRED BY THE ADMINISTRATION TO ADMINISTER THE  
8 PROGRAM.

9 (C) THE ADMINISTRATION MAY APPROVE AN APPLICATION FOR A LOAN  
10 SPECIFIED IN § 9-2106(A)(1) OF THIS SUBTITLE ONLY IF THE APPLICATION  
11 DEMONSTRATES THAT THE PROPOSED QUALIFYING ENERGY SYSTEM IS ESTIMATED,  
12 BASED ON PROJECTED ENERGY COSTS, TO GENERATE ENERGY COST SAVINGS OVER  
13 THE USEFUL LIFE OF THE SYSTEM THAT EQUAL OR EXCEED THE TOTAL AMORTIZED  
14 COST OF THE LOAN.

15 (D) IN APPROVING AN APPLICATION, THE ADMINISTRATION SHALL  
16 CONSIDER AND GIVE PRIORITY TO AN APPLICANT THAT HAS AN ANNUAL BUDGET OF  
17 \$1,000,000 OR LESS.

18 9-2106.

19 (A) LOANS FROM THE FUND MAY BE USED FOR:

20 (1) THE PURCHASE AND INSTALLATION OF A QUALIFYING ENERGY  
21 SYSTEM, INCLUDING ANY NECESSARY ANCILLARY MACHINERY, EQUIPMENT, OR  
22 FURNISHINGS; AND

23 (2) TECHNICAL ASSISTANCE FOR THE PLANNING AND INSTALLATION  
24 OF A QUALIFYING ENERGY SYSTEM.

25 (B) EACH BORROWER FOR A LOAN UNDER SUBSECTION (A)(1) OF THIS  
26 SECTION SHALL CONTRIBUTE AT LEAST 10% OF THE COST OF THE QUALIFYING  
27 ENERGY SYSTEM.

28 (C) (1) LOANS MADE UNDER THE PROGRAM SHALL BE REPAYABLE BY  
29 THE BORROWER IN ACCORDANCE WITH A SCHEDULE SET BY THE ADMINISTRATION.

30 (2) THE SCHEDULE SET BY THE ADMINISTRATION MAY BE ON A  
31 DEFERRED PAYMENT BASIS.

32 (D) (1) A BORROWER SHALL PROVIDE ASSURANCES FOR THE

1 REPAYMENT OF A LOAN.

2 (2) THE ASSURANCES:

3 (I) SHALL INCLUDE A PROMISSORY NOTE; AND

4 (II) MAY INCLUDE A PLAN FOR REPAYMENT.

5 (E) LOANS MAY BE MADE IN CONJUNCTION WITH OR IN ADDITION TO  
6 FINANCIAL ASSISTANCE PROVIDED THROUGH OTHER STATE OR FEDERAL  
7 PROGRAMS.

8 9-2107.

9 (A) THERE IS A GREEN AND RENEWABLE ENERGY FOR NONPROFIT  
10 ORGANIZATIONS LOAN FUND.

11 (B) THE ADMINISTRATION SHALL ADMINISTER THE FUND.

12 (C) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
13 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

14 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,  
15 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

16 (D) THE FUND CONSISTS OF:

17 (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE PROGRAM;

18 (2) MONEY TRANSFERRED FROM THE STRATEGIC ENERGY  
19 INVESTMENT FUND ESTABLISHED UNDER § 9-20B-05 OF THIS TITLE;

20 (3) MONEY RECEIVED FROM ANY PUBLIC OR PRIVATE SOURCE;

21 (4) INTEREST AND INVESTMENT EARNINGS OF THE FUND; AND

22 (5) REPAYMENTS AND PREPAYMENTS ON LOANS MADE FROM THE  
23 FUND.

24 (E) (1) IN FISCAL YEAR 2027, THE GOVERNOR MAY INCLUDE IN THE  
25 ANNUAL BUDGET BILL AN APPROPRIATION OF \$5,000,000 FOR THE FUND.

26 (2) IN FISCAL YEAR 2028, THE GOVERNOR MAY INCLUDE IN THE  
27 ANNUAL BUDGET BILL AN APPROPRIATION EQUAL TO AT LEAST \$5,000,000 MINUS  
28 THE AMOUNT IN THE FUND AS OF JUNE 30 OF THE IMMEDIATELY PRECEDING

1 FISCAL YEAR.

2 (F) THE FUND MAY BE USED ONLY:

3 (1) TO PAY THE EXPENSES OF THE PROGRAM; AND

4 (2) TO PROVIDE LOANS TO ELIGIBLE BORROWERS UNDER THE  
5 PROGRAM.

6 (G) (1) THE STATE TREASURER SHALL INVEST AND REINVEST THE  
7 MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE  
8 INVESTED.

9 (2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO  
10 THE FUND.

11 (3) ANY REPAYMENT ON LOANS MADE FROM THE FUND SHALL BE  
12 PAID INTO THE FUND.

13 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before July 1, 2026, the  
14 Maryland Energy Administration shall:

15 (1) establish an application process for loans made under the Green and  
16 Renewable Energy for Nonprofit Organizations Loan Program in Title 9, Subtitle 21 of the  
17 State Government Article, as enacted by Section 1 of this Act;

18 (2) set guidelines and considerations for application, selection, and  
19 repayment that include:

20 (i) nonprofit organizations that own, rather than rent, their  
21 buildings;

22 (ii) property size and kilowatt–hours of energy used;

23 (iii) geographic diversity;

24 (iv) ethnic and racial diversity;

25 (v) economic diversity;

26 (vi) nonprofit organization mission diversity;

27 (vii) access to the borrower’s portion of the cost of the qualifying  
28 energy system; and

29 (viii) process and frequency of loan repayment; and

1                   (3)     develop and implement an advertising campaign for the Green and  
2 Renewable Energy for Nonprofit Organizations Loan Program.

3                   SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take  
4 effect July 1, 2026.

5                   SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section  
6 3 of this Act, this Act shall take effect July 1, 2025.