M3 5lr2775 CF 5lr1964

By: Senators Gallion, Bailey, Ready, Folden, and Carozza

Introduced and read first time: January 27, 2025

Assigned to: Education, Energy, and the Environment and Finance

A BILL ENTITLED

1 AN ACT concerning

2

Climate Solutions Now Act Affordability Act of 2025

3 FOR the purpose of specifying that certain requirements under the Climate Solutions Now 4 Act are to be carried out to the extent economically practicable, including 5 requirements concerning achieving certain direct greenhouse gas emissions 6 reductions from certain buildings, measuring and reporting direct emissions data to 7 the Department of the Environment, achieving certain greenhouse gas emissions 8 reduction goals, achieving zero-emission vehicle goals relating to the State vehicle 9 fleet and local school buses, adopting a certain construction code, and the payment of a certain prevailing wage by contractors and subcontractors participating in 10 11 certain projects undertaken by investor—owned electric companies or gas and electric 12 companies; and generally relating to the implementation of the Climate Solutions 13 Now Act.

- 14 BY repealing and reenacting, with amendments,
- 15 Article Environment
- 16 Section 2–1205(e), 2–1505, and 2–1602(a) and (b)
- 17 Annotated Code of Maryland
- 18 (2013 Replacement Volume and 2024 Supplement)
- 19 BY repealing and reenacting, with amendments,
- 20 Article Environment
- 21 Section 2–1602(a) and (b)
- 22 Annotated Code of Maryland
- 23 (2013 Replacement Volume and 2024 Supplement)
- 24 (As enacted by Chapter 38 of the Acts of the General Assembly of 2022)
- 25 BY repealing and reenacting, without amendments,
- 26 Article Environment
- 27 Section 2–1205(a), (b), (c)(2) and (3), and (d)
- 28 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



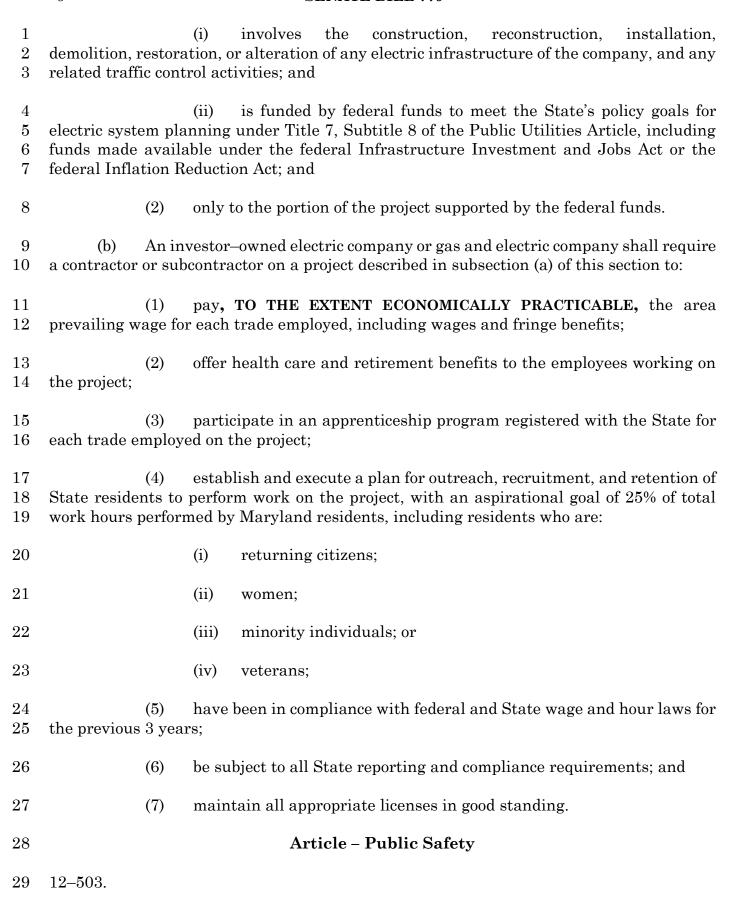
1	(2013 Replacement Volume and 2024 Supplement)									
2 3 4 5 6	Article – Labor and Employment Section 3–416 Annotated Code of Maryland									
7 8 9 10 11	Article – Public Safety Section 12–503 Annotated Code of Maryland									
12 13 14 15 16	BY repealing and reenacting, with amendments, Article – State Finance and Procurement Section 4–810 and 14–418 Annotated Code of Maryland (2021 Replacement Volume and 2024 Supplement)									
17 18	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:									
19	Article – Environment									
20	2–1602.									
21 22	(a) The Department shall develop building energy performance standards for covered buildings that achieve, TO THE EXTENT ECONOMICALLY PRACTICABLE:									
23 24 25	(1) A 20% reduction in net direct greenhouse gas emissions on or before January 1, 2030, as compared with 2025 levels for average buildings of similar construction; and									
26	(2) Net–zero direct greenhouse gas emissions on or before January 1, 2040.									
27 28 29 30	(b) To facilitate the development of building energy performance standards under this section, the Department shall require the owners of covered buildings to measure and report, TO THE EXTENT ECONOMICALLY PRACTICABLE, direct emissions data to the Department annually beginning in 2025.									
31 32	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:									
33	Article – Environment									

34 2–1602.

- 1 The Department shall develop building energy performance standards for (a) 2 covered buildings that achieve, TO THE EXTENT ECONOMICALLY PRACTICABLE, a 20% 3 reduction in net direct greenhouse gas emissions on or before January 1, 2030, as compared with 2025 levels for average buildings of similar construction. 4 5 To facilitate the development of building energy performance standards under 6 this section, the Department shall require the owners of covered buildings to measure and 7 report, TO THE EXTENT ECONOMICALLY PRACTICABLE, direct emissions data to the 8 Department annually beginning in 2025. 9 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read 10 as follows: Article - Environment 11 12 2-1205.13 The State shall develop plans, adopt regulations, and implement programs (a) that reduce statewide greenhouse gas emissions in accordance with this subtitle. 14 15 (b) On or before June 30, 2023, the Department shall: 16 (1)Submit a proposed plan that reduces statewide greenhouse gas emissions by 60% from 2006 levels by 2031 to the Governor and General Assembly; 17 18 (2) Make the proposed plan available to the public; and 19 (3)Convene a series of public workshops to provide interested parties with 20 an opportunity to comment on the proposed plan. 21(c) (2)The Department shall, on or before December 31, 2023, adopt a final plan that: 2223 (i) Reduces statewide greenhouse gas emissions by 60% from 2006 24levels by 2031; and 25 Sets the State on a path toward achieving net-zero statewide (ii) 26 greenhouse gas emissions by 2045. 27 (3)The Department shall: 28 (i) On or before December 31, 2030, adopt a final plan that achieves 29 net-zero statewide greenhouse gas emissions by 2045; and
- 30 (ii) On or before December 31, 2035, review and, as necessary, revise 31 the final plan to achieve net–zero statewide gas emissions by 2045.

1 (d) The final plans required under subsection (c) of this section shall include: 2 (1) Adopted regulations that implement all plan measures for which State agencies have existing statutory authority; and 3 4 A summary of any new legislative authority needed to fully implement the plans and a timeline for seeking legislative authority. 5 6 **(1)** (e) A final plan developed under this section: 7 May not include highway widening or additional road [(1)] (I) 8 construction as a greenhouse gas emission reduction measure; 9 May include the use of carbon capture, electric distribution and [(2)] (II) 10 transmission infrastructure improvements, and storage technology as a greenhouse gas 11 emission reduction measure only if the technology has been scientifically proven to achieve 12 verifiable carbon reductions; 13 [(3)] (III) Shall use the global warming potential for methane over a 14 20-year time horizon, as accepted in the most recent assessment of the Intergovernmental 15 Panel on Climate Change, in estimating the State's greenhouse gas emissions reductions; 16 [(4)] (IV) Shall include policy recommendations to ensure the continued 17 operation of Maryland's existing zero carbon emission electric generators through current 18 operating licenses; 19 Shall include specific estimates of the greenhouse gas emissions [(5)] (V) 20 reductions that could be achieved through the expansion of mass transit options; and 21[(6)] (VI) Shall include specific estimates of the reductions expected from 22each greenhouse gas emissions reduction measure included in the plan. 23 **(2)** A FINAL PLAN ADOPTED UNDER SUBSECTION (C)(2)(I) OF THIS 24SECTION SHALL BE IMPLEMENTED TO THE EXTENT ECONOMICALLY PRACTICABLE. 252-1505.In this section, "incremental costs" means: 26 (a) 27 (1) In the case of a contract for the purchase of school buses, the cost 28difference between purchasing and operating school buses that are zero-emission vehicles 29 and school buses that are diesel-powered vehicles; and

- 1 In the case of a contract for the use of school buses, the cost difference (2)2 between contracting for the use of school buses that are zero-emission vehicles and school 3 buses that are diesel-powered vehicles. 4 (b) Except as provided in subsection (c) of this section, beginning in fiscal year 5 2025, a county board of education may not enter into a new contract for: 6 (1) The purchase of any school bus that is not a zero-emission vehicle; or 7 (2)The use of any school bus that is not a zero-emission vehicle, unless the 8 school bus has an in-service date of July 1, 2024, or before. 9 The requirements of subsection (b) of this section do not apply if: (c) 10 (1)The Department determines that no available zero-emission vehicle 11 meets the performance requirements for the county board's use; [or] 12 (2)The county board is unable to obtain federal, State, or private funding 13 sufficient to cover the incremental costs associated with contracting for the purchase or use 14 of school buses that are zero-emission vehicles; OR 15 **(3)** IT IS NOT ECONOMICALLY PRACTICABLE FOR THE COUNTY BOARD 16 TO MEET THE REQUIREMENTS. 17 (d) A county board may enter into an agreement with an electric company to 18 obtain monetary incentives in exchange for allowing the electric company to use the storage 19 batteries of zero-emission buses owned or operated by the county board to access the stored 20 electricity through vehicle-to-grid technology. 21The Department, in consultation with other appropriate State agencies, shall 22work with the county boards and private school bus contractors to develop electric vehicle 23 infrastructure sufficient to support school buses that are zero-emission vehicles. 24(f) The Department shall prioritize the use of available federal funding to carry 25out this section. Article - Labor and Employment 26 273-416.28(a) This section applies:
- 29 (1) to a project undertaken by an investor—owned electric company or gas 30 and electric company that:



- 1 (a) The Department shall adopt by regulation, as the Maryland Building 2 Performance Standards, the International Building Code, including the International 3 Energy Conservation Code, with the modifications incorporated by the Department under 4 subsection (b) of this section. 5 (2)The Department shall adopt each subsequent version of the Standards 6 within 18 months after it is issued. 7 (b) (1) Before adopting each version of the Standards, the Department shall: 8 (i) review the International Building Code to determine whether modifications should be incorporated in the Standards; 9 10 consider changes to the International Building Code to enhance (ii) energy conservation and efficiency; 11 12 subject to the provisions of paragraph (2)(ii) of this subsection, (iii) 13 adopt modifications to the Standards that allow any innovative approach, design, 14 equipment, or method of construction that can be demonstrated to offer performance that is at least the equivalent to the requirements of: 15 16 1. the International Energy Conservation Code; 2. 17 Chapter 13, "Energy Efficiency", of the International 18 Building Code; or 19 3. Chapter 11, "Energy Efficiency", of the International 20 Residential Code: 21 (iv) accept written comments; 22consider any comments received; and (v) 23hold a public hearing on each proposed modification. (vi) 24(2)(i) Except as provided in subparagraph (ii) of this paragraph and § 2512-510 of this subtitle, the Department may not adopt, as part of the Standards, a 26 modification of a building code requirement that is more stringent than the requirement in 27 the International Building Code. 28 The Department may adopt energy conservation requirements (ii) 29that are more stringent than the requirements in the International Energy Conservation 30 Code, but may not adopt energy conservation requirements that are less stringent than the
- 32 (c) The Standards apply to each building or structure in the State for which a 33 building permit application is received by a local jurisdiction on or after August 1, 1995.

requirements in the International Energy Conservation Code.

31

28

ECONOMICALLY PRACTICABLE, 100% of:

(1) 1 (d) In addition to the Standards, the Department shall: 2 on or before January 1, 2023, adopt by regulation the 2018 [(1)] (I) International Green Construction Code; and 3 4 (II)adopt each subsequent version of the Code within 18 months [(2)]after it is issued. 5 6 A REGULATION ADOPTED UNDER THIS SUBSECTION SHALL ALLOW 7 FOR THE INTERNATIONAL GREEN CONSTRUCTION CODE TO BE IMPLEMENTED TO THE EXTENT ECONOMICALLY PRACTICABLE. 8 9 **Article - State Finance and Procurement** 10 4–810. 11 On or before January 1, 2030, each primary procurement unit shall ensure, TO THE EXTENT ECONOMICALLY PRACTICABLE, that at least 75% of the electricity supply 12 13 procured by the unit for use in State facilities is derived from no- or low-carbon energy 14 sources. 14–418. 15 16 (a) In this section the following words have the meanings indicated. (1) 17 "Hybrid vehicle" means an automobile that can draw propulsion energy from both of the following sources of stored energy: 18 19 (i) gasoline or diesel fuel; and 20 (ii) a rechargeable energy storage system. "Light-duty vehicle" means a vehicle with a gross weight of 8,500 21(3) 22pounds or less. "Passenger car" has the meaning stated in § 11-144.2 of the 23 **(4)** 24Transportation Article. 25 "Zero-emission vehicle" has the meaning stated in § 23-206.4 of the 26Transportation Article. 27 It is the intent of the General Assembly that, TO THE EXTENT

- 1 (1) passenger cars in the State vehicle fleet be zero-emission vehicles by 2 2031; and 3 (2) other light-duty vehicles in the State vehicle fleet be zero-emission 4 vehicles by 2036. 5 (c) This section does not apply to the purchase of vehicles: 6 that have special performance requirements necessary for the 7 protection and welfare of the public; or 8 (2)by the Department of Transportation or the Maryland Transit 9 Administration that will be used to provide paratransit service. 10 (d) [The] TO THE EXTENT ECONOMICALLY PRACTICABLE, THE State shall 11 ensure that: in fiscal years 2023 through 2025, inclusive, at least 25% of 12 (1)passenger cars purchased for the State vehicle fleet are zero-emission vehicles; 13 14 (ii) in fiscal years 2026 and 2027, at least 50% of passenger cars purchased for the State vehicle fleet are zero-emission vehicles; 15 16 beginning in fiscal year 2028, 100% of passenger cars purchased (iii) 17 for the State vehicle fleet are zero-emission vehicles; and 18 beginning in fiscal year 2024, any passenger car purchased for the State vehicle fleet that is not a zero-emission vehicle is a hybrid vehicle; and 19 20 (2)in fiscal years 2028 through 2030, inclusive, at least 25% of all 21other light-duty vehicles purchased for the State vehicle fleet are zero-emission vehicles; 22(ii) in fiscal years 2031 and 2032, at least 50% of all other light-duty 23vehicles purchased for the State vehicle fleet are zero-emission vehicles; and 24 beginning in fiscal year 2033, 100% of all other light-duty vehicles purchased for the State vehicle fleet are zero-emission vehicles. 2526 The Department of General Services shall ensure the development of charging 27 infrastructure to support the operation of zero-emission vehicles in the State vehicle fleet. 28 On or before December 1 each year, the Chief Procurement Officer shall 29 submit to the General Assembly, in accordance with § 2–1257 of the State Government
- 31 (i) the total number of passenger cars and other light–duty vehicles 32 purchased by each unit;

Article, an annual report that includes, for the immediately preceding fiscal year:

30

1	((ii)	the	number	of	zero-emission	passenger	cars	and	other
2	light-duty vehicles	purch	ased	by each u	nit;					

- 3 (iii) the current percentage of passenger cars and other light-duty 4 vehicles in the State vehicle fleet that are zero-emission vehicles;
- 5 (iv) any operational savings associated with the purchase and 6 operation of zero–emission vehicles; and
- 7 (v) an evaluation of the charging infrastructure that exists to 8 support the operation of zero-emission vehicles in the State vehicle fleet.
- 9 (2) Each unit shall cooperate with the Chief Procurement Officer in the collection and reporting of the information required under this subsection.
- SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect on the taking effect of the termination provision specified in Section 17 of Chapter 38 of the Acts of the General Assembly of 2022. If that termination provision takes effect, Section 1 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect. This Act may not be interpreted to have an effect on that termination provision.
- SECTION 5. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 4 of this Act, this Act shall take effect October 1, 2025.