

HOUSE BILL 967

C5, M5

6lr1861

By: **Delegates Buckel, Pippy, Adams, Anderson, Arentz, Baker, Beauchamp, Chisholm, Ciliberti, Ghrist, Griffith, Hartman, Hinebaugh, Hornberger, Hutchinson, Jacobs, Kipke, R. Long, Mangione, McComas, Metzgar, Miller, T. Morgan, Nkongolo, Reilly, Rose, Schmidt, Stonko, Tomlinson, Valentine, and Wivell**

Introduced and read first time: February 6, 2026

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Electric Companies – Environmental Surcharges or Fees – Prohibition on**
3 **Collection**

4 FOR the purpose of prohibiting an electric company from collecting certain environmental
5 surcharges or fees under certain circumstances; requiring the Public Service
6 Commission to make a certain calculation each year related to the change in
7 residential electric bills; and generally relating to the collection of environmental
8 surcharges or fees by electric companies.

9 BY adding to

10 Article – Public Utilities

11 Section 7–109

12 Annotated Code of Maryland

13 (2025 Replacement Volume and 2025 Supplement)

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

15 That the Laws of Maryland read as follows:

16 **Article – Public Utilities**

17 **7–109.**

18 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
19 **INDICATED.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) “CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS” MEANS**
2 **THE INDEX PUBLISHED MONTHLY BY THE BUREAU OF LABOR STATISTICS OF THE**
3 **U.S. DEPARTMENT OF LABOR OR A SUCCESSOR INDEX THAT IS THE U.S. CITY**
4 **AVERAGE OF ALL ITEMS IN A BASKET OF CONSUMER GOODS AND SERVICES.**

5 **(3) (I) “ENVIRONMENTAL SURCHARGE OR FEE” MEANS A CHARGE**
6 **AUTHORIZED OR REQUIRED UNDER STATE LAW, REGULATION, OR COMMISSION**
7 **ORDER THAT IS COLLECTED BY AN ELECTRIC COMPANY FROM ITS CUSTOMERS FOR**
8 **THE PRIMARY PURPOSE OF SUPPORTING ENVIRONMENTAL INITIATIVES.**

9 **(II) “ENVIRONMENTAL SURCHARGE OR FEE” INCLUDES:**

- 10 **1. A SURCHARGE IMPOSED UNDER § 7-222(D)(2) OF**
11 **THIS TITLE;**
- 12 **2. A SURCHARGE IMPOSED UNDER § 7-704.2(A)(4) OF**
13 **THIS TITLE; AND**
- 14 **3. THE RECOVERY OF COMPLIANCE FEES UNDER § 7-706**
15 **OF THIS TITLE.**

16 **(B) THIS SECTION DOES NOT APPLY TO AN ENVIRONMENTAL SURCHARGE**
17 **OR FEE IMPOSED UNDER:**

- 18 **(1) § 7-203 OF THIS TITLE;**
- 19 **(2) § 7-1220 OF THIS TITLE; OR**
- 20 **(3) § 7-1226 OF THIS TITLE.**

21 **(C) (1) ON OR BEFORE OCTOBER 1, 2027, AND EACH OCTOBER 1**
22 **THEREAFTER, THE COMMISSION SHALL CALCULATE, IN ACCORDANCE WITH**
23 **PARAGRAPH (2) OF THIS SUBSECTION:**

24 **(I) THE PERCENTAGE GROWTH IN THE CONSUMER PRICE**
25 **INDEX FOR ALL URBAN CONSUMERS FOR THE PRECEDING 12 MONTHS ENDING**
26 **JUNE 30 OF THAT YEAR; AND**

27 **(II) THE PERCENTAGE GROWTH IN THE AVERAGE RESIDENTIAL**
28 **ELECTRICITY BILL FOR THE PRECEDING 12 MONTHS ENDING JUNE 30 OF THAT**
29 **YEAR.**

30 **(2) THE COMMISSION SHALL CALCULATE:**

1 **(I) THE PERCENTAGE GROWTH IN THE CONSUMER PRICE**
2 **INDEX FOR ALL URBAN CONSUMERS BY COMPARING THE AVERAGE OF THE INDEX**
3 **FOR THE 12 MONTHS ENDING ON THE PRECEDING JUNE 30 TO THE AVERAGE OF THE**
4 **INDEX FOR THE 12 MONTHS ENDING ON THE SECOND PRECEDING JUNE 30; AND**

5 **(II) THE PERCENTAGE GROWTH IN THE AVERAGE RESIDENTIAL**
6 **ELECTRICITY BILL BY COMPARING THE WEIGHTED AVERAGE OF RESIDENTIAL**
7 **ELECTRICITY BILLS FOR THE 12 MONTHS ENDING ON THE PRECEDING JUNE 30 TO**
8 **THE WEIGHTED AVERAGE OF RESIDENTIAL ELECTRICITY BILLS FOR THE 12 MONTHS**
9 **ENDING ON THE SECOND PRECEDING JUNE 30.**

10 **(D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF THE**
11 **COMMISSION DETERMINES THAT THE PERCENTAGE GROWTH IN THE AVERAGE**
12 **RESIDENTIAL ELECTRICITY BILL EXCEEDED THE PERCENTAGE GROWTH IN THE**
13 **CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS IN A GIVEN YEAR, AN**
14 **ELECTRIC COMPANY MAY NOT COLLECT ANY ENVIRONMENTAL SURCHARGES OR**
15 **FEES DURING THE IMMEDIATELY FOLLOWING YEAR.**

16 **(E) THE COMMISSION SHALL ADOPT REGULATIONS TO CARRY OUT THIS**
17 **SECTION.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
19 1, 2026.