
Senate Budget and Taxation Committee

SEIF Additional Pages

March 2026

Alternative Compliance Payments Use in Budget

	Administration			Related Legislative Action
	As Introduced	Amended Plan	Senate	
Public Service Commission				
Rate relief credits	\$100.0	\$100.0	\$0.0	
Downpayment on EmPOWER Maryland residential programming costs	0.0	0.0	100.0	Will be authorized as ACP use in SB 841 and HB 1532
Partially offset ratepayer costs for the Limited Income Discount Program	0.0	0.0	36.8	Will be authorized as ACP use in SB 841 and HB 1532
Maryland Energy Administration				
Gap financing/tax credit – Solar Stabilization Program (SB 386/HB 897)	100.0	70.0	0.0	Strike from BRFA
Grant program operated as a reverse auction for new renewable energy and storage capacity	0.0	0.0	100.0	Will be authorized as ACP use in SB 841 and HB 1532
Energy Storage Program (on top of \$2.0 million budgeted)	0.0	0.0	2.0	Will be authorized as ACP use in SB 841 and HB 1532
Maryland Department of Transportation				
Study/planning for locating transmission lines along existing right-of-ways	10.0	10.0	0.0	Strike from BRFA
Interagency Commission on School Construction				
HVAC upgrades – public schools	0.0	0.0	10.0	Will be authorized as ACP use in SB 841 and HB 1532
Maryland Department of the Environment				
Costs associated with implementing SB 781 (new permitting requirements – Cumulative Harms for Environmental Restoration for Improving Shared Health – CHERISH Our Communities Act)	0.0	0.0	1.2	Will be authorized as ACP use in SB 841 and HB 1532
Department of General Services				
Solar on State facilities	20.0	17.0	20.0	Leave authorization in BRFA
Dedicated Purpose Account				
Higher Education Research Grant (Senate expands uses for any research not limited to energy/climate)	42.0	42.0	42.0	Modify authorization in BRFA
Implementation of Chapters 7 and 19 of 2025 special session (Energy Resource Adequacy and Planning Act)	25.0	25.0	0.0	Strike from BRFA
Grid enhancing technologies/advanced transmission	15.0	15.0	0.0	Strike from BRFA
	\$259.0	\$292.0	\$259.0	Leave in BRFA as Introduced
Transfer to the General Fund from ACP				
	\$571.0	\$571.0	\$571.0	
Transfer to the General Fund from RGGI Administration	\$33.0	\$0.0	\$33.0	Leave in BRFA as Introduced
<i>Other ACP Budgeted in the Maryland Energy Administration – Considered as Allowable Uses under Administration Plan</i>	98.0	98.0	98.0	

*Includes \$13.0 million the Department of Legislative Services recommended making contingent on expansion of allowable uses.

ACP: Alternative Compliance Payments

BRFA: Budget Reconciliation and Financing Act

RGGI: Regional Greenhouse Gas Initiative

Section 38 Strategic Energy Investment Fund

SECTION 38. AND BE IT FURTHER ENACTED, That funds are added to the fiscal 2027 appropriation in the following manner:

- (1) \$100,000,000 in special funds from the Strategic Energy Investment Fund (SEIF) Alternative Compliance Payment (ACP) revenue or Account is added to the appropriation for C90G00.01 General Administration and Hearings within the Public Service Commission (PSC) for the purpose of providing grants to utilities to provide a downpayment on EmPOWER Maryland Residential program costs contingent on the enactment of legislation expanding the allowable uses of SEIF ACPs to include providing funds for a downpayment on EmPOWER Maryland Residential program costs. Funds not expended for this added purpose may not be transferred by budget amendment or otherwise and shall be canceled;
- (2) \$100,000,000 in special funds from the SEIF ACP revenue or Account is added to the appropriation for D13A13.08 Renewable and Clean Energy Programs and Initiatives within the Maryland Energy Administration (MEA) for the purpose of providing grants for new renewable energy and new energy storage capacity under a reverse auction process contingent on the enactment of legislation expanding the allowable uses of SEIF ACPs to include a new grant program in MEA to provide grants based on a reverse auction process. Funds not expended for this added purpose may not be transferred by budget amendment or otherwise and shall be canceled;
- (3) \$36,800,000 in special funds from the SEIF ACP revenue or Account is added to the appropriation for C90G00.01 General Administration and Hearings within PSC for the purpose of offsetting ratepayer costs associated with the Limited Income Discount Program contingent on the enactment of legislation expanding the allowable uses of SEIF ACPs to include offsetting ratepayer costs associated with the Limited Income Discount Program. Funds not expended for this added purpose may not be transferred by budget amendment or otherwise and shall be canceled;
- (4) \$10,000,000 in special funds from the SEIF ACP revenue or Account is added to the appropriation for D25E03.02 Capital Appropriation within the Interagency Commission on School Construction for the purpose of public school HVAC upgrades contingent on the enactment of legislation expanding the allowable uses of SEIF ACPs to include public school HVAC upgrades. Funds not expended for this added purpose may not be transferred by budget amendment or otherwise and shall be canceled;
- (5) \$2,000,000 in special funds from the SEIF ACP revenue or Account is added to the appropriation for D13A13.08 Renewable and Clean Energy Programs and Initiatives within MEA for the purpose of additional funding for the Residential and Commercial Energy Storage Grant program contingent on the enactment of legislation expanding the allowable uses of SEIF ACPs to include the Residential and Commercial Energy Storage Grant program. Funds not expended for this added purpose may not be transferred by budget amendment or otherwise and shall be canceled; and

- (6) \$1,200,000 in special funds from the SEIF ACP revenue or Account is added to the appropriation for U00A01.01 Office of the Secretary within the Maryland Department of the Environment (MDE) for the purpose of implementing modified permit review and evaluation requirements as established under SB 781 or HB 1268 contingent on the enactment of SB 781 or HB 1268 modifying permitting requirements and the enactment of legislation expanding the allowable uses of SEIF ACPs to include costs associated with implementing new permits and reviewing permits associated with covered individual permit applications. MDE is authorized to reallocate the funds among programs and administrations to be used only for the same purposes. Funds not expended for this added purpose may not be transferred by budget amendment or otherwise and shall be canceled.

C90G00

Public Service Commission

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
2. Add the following language:			No response	Reject	
<p>, provided that \$100,000,000 of this appropriation is contingent upon enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund <u>to include providing awards to electric companies, including electric cooperatives and municipal electric utilities, to be refunded or credited to residential customers</u></p>					
Explanation:	This language modifies language making a portion of the appropriation in the Public Service Commission contingent on the expansion of allowable uses to more specifically identify the expanded use for which these funds are needed and better match the applicable legislation.				
Additional First House Action					
5. Reduce special fund appropriation that is contingent on enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund.				Adopt	
	-\$100,000,000	SF			

C90G00

Public Service Commission

Amount
Change

Position
Change

Agency Response
Hearing Notes

Senate
Decisions

House
Decisions

Additional First House Action

6. Add the following language:

Adopt

~~, provided that \$100,000,000 of this appropriation is contingent upon enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund~~

Explanation:

This language strikes language making a portion of the appropriation in the Public Service Commission contingent on the expansion of allowable uses.

D13A13

Maryland Energy Administration

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
1.	Add the following language: <u>Further provided that \$70,000,000 of this appropriation is contingent upon enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund to include gap financing initiatives for at-risk, large-scale clean energy projects.</u>		Disagree - The agency requests the funds be contingent on Budget Reconciliation and Financing Act	Reject	

Explanation: This language modifies language making a portion of the appropriation in the Maryland Energy Administration contingent on the expansion of allowable uses to more specifically identify the expanded use for which these funds are needed and better match the applicable legislation.

2.	Add the following language: <u>Further provided that \$30,000,000 of this appropriation is contingent upon enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund to include grants or loans to support the creation of new Tier 1 renewable energy sources in the State.</u>		No response	Reject	
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Explanation: This language modifies language making a portion of the appropriation in the Maryland Energy Administration contingent on the expansion of allowable uses to more specifically identify the expanded use for which these funds are needed and better match the applicable legislation.

D13A13

Maryland Energy Administration

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
3. Strike the following language: , provided that \$100,000,000 of this appropriation is contingent upon enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund.			No response	Adopt	

Explanation: This language strikes language making a portion of the appropriation in the Maryland Energy Administration contingent on the expansion of allowable uses. Instead, two pieces of language are added to make the appropriation contingent on the expansion of allowable uses to more specifically identify the expanded use for these funds.

Additional First House Action

Reduce special fund appropriation that is contingent on enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund.

-\$100,000,000 SF

Adopt

D13A13

Maryland Energy Administration

Amount
Change

Position
Change

Agency Response
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Senate
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Decisions

Additional First House Action

Strike the following language:

Adopt

Amendment No. 2:

~~On page 13, in line 8, strike “\$100,000,000” and replace it with “\$70,000,000”. On page 44, in line 33, strike “\$20,000,000” and replace it with “\$17,000,000”.~~

Explanation:

This language strikes an amendment making a portion of the appropriation in the Maryland Energy Administration and Department of General Services contingent on the expansion of allowable uses.

H00

Department of General Services

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
3.			Concur	Adopt	
	Add the following language:				
	, provided that \$20,000,000 of this appropriation is contingent upon enactment of legislation expanding the uses of the Strategic Energy Investment Fund <u>to include providing grants or loans to support the creation of new Tier 1 renewable energy sources in the State</u>				

Explanation:

This language adds specificity to contingent language on the special fund appropriation to more closely align with the applicable Budget Reconciliation and Financing Act provision.

J00B0101

MDOT State Highway Administration PAYGO Capital

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
1. Add the following language:			Concur	Reject	
<p>, provided that \$10,000,000 of this appropriation is contingent upon enactment of legislation expanding the uses of the Strategic Energy Investment Fund <u>to include planning and studies related to rights-of-way transmission infrastructure and battery energy storage systems</u></p>					

Explanation: This language adds specificity to contingent language on the special fund appropriation to more closely align with the applicable provision.

Additional First House Action

2. Delete funding for the expanded use of the Strategic Energy Investment Fund.				Adopt	
	-\$10,000,000	SF			

Additional First House Action

3. Add the following language:				Adopt	
<p>, provided that \$10,000,000 of this appropriation is contingent upon enactment of legislation expanding the uses of the Strategic Energy Investment Fund.</p>					

Explanation: This action strikes language that would have added \$10.0 million of the special fund appropriation from the Strategic Energy Investment Fund, contingent on legislation expanding the use of Strategic Energy Investment Fund.

Y01A

State Reserve Fund

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
2.			Disagree - Agency says funds are not meant to sustain operations but to transition towards climate-related research.	Reject	
	-\$42,000,000	SF			
7.			Disagree	Reject	
	Add the following language:				
	Higher Ed Research Fund 42,000,000				

Explanation:

This action amends line-item appropriations for funds that are being reduced by the General Assembly. This is a technical amendment.

Additional First House Action

11. Add the following language: Adopt

, provided that \$42,000,000 of this appropriation is made for the purpose of the Higher Ed Research Fund contingent on the enactment of legislation authorizing the use of Strategic Energy Investment Funds for this purpose may be used for any research field and shall not be limited to energy related research.

Explanation:

This action enables funding in the Dedicated Purpose Account for Higher Education research to be used for any type of research.

Y01A

State Reserve Fund

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
6.			Concur	Reject	

, provided that ~~\$82,000,000~~\$25,000,000 of this appropriation made for the purpose of Energy Resource Adequacy and Planning Act Implementation is contingent upon the enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund (SEIF) to include implementation of the Energy Resource Adequacy and Planning Act.

Further provided that \$15,000,000 of this appropriation made for the purpose of Grid-Enhancing Technologies/Advanced Transmission Technologies Planning is contingent upon the enactment of legislation expanding the allowable uses of the SEIF to include activities related to grid-enhancing technologies and advanced transmission technologies.

Explanation:

The fiscal 2027 allowance provides \$82 million from the SEIF to three purposes in the Dedicated Purpose Account: (1) Higher Education Research Grants; (2) Energy Resource Adequacy and Planning Act Implementation; and (3) Grid-Enhancing Technologies/Advanced Transmission Technologies Planning. While language in the budget bill makes this funding contingent on legislation expanding allowable uses of the SEIF, it is too broad and would allow the transfers to occur under any expansion of the SEIF, not just for the purposes of the appropriation in this program. This language ensures only related legislation would trigger the contingency for two of the purposes. Separate actions delete the funding for the third purpose.

Y01A

State Reserve Fund

	<u>Amount Change</u>	<u>Position Change</u>	<u>Agency Response Hearing Notes</u>	<u>Senate Decisions</u>	<u>House Decisions</u>
Additional First House Action					
9. Reduce funding for Energy Resource Adequacy and Planning Act Implementation.				Adopt	
	-\$25,000,000	SF			

Additional First House Action

10. Reduce funding for Grid-Enhancing Technologies/Advanced Technologies Planning.				Adopt	
	-\$15,000,000	SF			

Additional First House Action

12. Strike the following language:				Adopt	
; provided that \$82,000,000 of this appropriation is contingent upon the enactment of legislation expanding the allowable uses of the Strategic Energy Investment Fund.					

Explanation:

This action strikes language that is no longer applicable due to legislative action on the appropriation.

Y01A

State Reserve Fund

Amount
Change

Position
Change

Agency Response
Hearing Notes

Senate
Decisions

House
Decisions

Additional First House Action

13. Strike the following language:

Adopt

~~Energy Resource Adequacy and Planning Act Implementation 25,000,000~~

~~Grid Enhancing Technologies/Advanced Transmission Technologies (GET/
ATT) Planning 15,000,000~~

Explanation:

This action strikes line-items for appropriations that are being reduced by the General Assembly.