



Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Mary Beth Tung, Director

TO: House Environment and Transportation
FROM: Mary Beth Tung – Director, MEA
SUBJECT: HB 1425 Climate Solutions Act of 2020
DATE: March 04, 2020

MEA POSITION: Letter of Information

The proposed legislation, as presently drafted does not have a significant impact on the Maryland Energy Administration (“MEA”). However, MEA has significant concerns regarding the approach and feasibility of achieving a Statewide net-zero greenhouse gas (“GHG”) emissions footprint by 2045 put forth by this bill; and concerns regarding potential amendments.

The Maryland Department of the Environment (MDE) created the draft Greenhouse Gas Reduction Act (GGRA) plan through a collaborative process that involved State agencies such as MEA and utilized external resources to produce modelling to anticipate the efficacy of the proposed measures. The GGRA also required a net benefit to the State and MDE incorporated employment, economic growth, and expense into the draft plan.

MEA shares the MDE goal of reducing GHG emissions in Maryland. However, MEA believes that the approach contained within this bill could ultimately be prohibitively expensive or impracticable.

Likewise, MEA has concerns that the proposed legislation will be amended to divert revenue from the Strategic Energy Investment Fund (“SEIF”) in order to finance tree planting, electric buses, and a soil remediation program. Such amendments would divert dwindling SEIF resources from critical energy programs. This bill, and a number of other bills proposed this session, will divert dollars from Regional Greenhouse Gas Initiative (“RGGI”) funded SEIF programs, such as low-to-moderate income weatherization assistance programs, solar installation assistance programs, and electric vehicle incentive programs to a degree that will likely require MEA to discontinue some such programs and reduce funding to non-impactful levels for others.

MEA believes that the proposed legislation would impede MEA’s mission to: “promote affordable, reliable and cleaner energy for the benefit of all Marylanders.” MEA requests you take this information under advisement when considering how to report on HB1425.