



Larry Hogan | Governor  
Boyd Rutherford | Lt. Governor  
Kelly M. Schulz | Secretary of Commerce

**DATE:** February 18, 2021      **COMMITTEE:** House Economic Matters  
**BILL NO:** House Bill 682  
**BILL TITLE:** Renewable Energy Portfolio Standard - Thermal Biomass Systems  
**POSITION:** Support

The Maryland Department of Commerce (Commerce) supports House Bill 682 - Renewable Energy Portfolio Standard - Thermal Biomass Systems.

**Bill Summary:**

House Bill 682 authorizes certain biomass systems primarily fueled with qualifying biomass other than animal manure to be eligible for renewable energy credits; and altering the definition of "thermal biomass". The definition changes will allow for the utilization of woody biomass for thermal heat production within Maryland's Renewable Energy Portfolio Standard as a Tier 1 renewable energy source.

**Background:**

The Department of Commerce is a cooperating partner in the Economic Adjustment Strategy (EAS) grant award funded by the US Economic Development Administration. A targeted opportunity in the EAS is the development of woody biomass as a fuel source for heat thermal. The Maryland timber sector is in desperate need for new markets for low value pulp wood. Thermal biomass will provide this opportunity.

**Rationale:**

The loss of major forest industry enterprises in the State makes it essential to find new markets for low-quality wood material, and the use of woody biomass to produce thermal energy in commercial facilities shows great promise, as it has done in other states. New biomass markets allow for healthier forests, economic incentives for private landowners, and new jobs. Passage of this legislation will remove a major barrier to the development of new markets for forest products.

**Commerce respectfully requests a favorable report on House Bill 682.**