



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

**TO:** Members, Senate Education, Health, and Environmental Affairs  
**FROM:** Mary Beth Tung – Director, MEA  
**SUBJECT:** SB 528 - Climate Solutions Now Act of 2022  
**DATE:** February 15, 2021

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**MEA POSITION: Letter of Information**

The Maryland Energy Administration (MEA) applauds the aspirational goals within the bill, and the strides that have been made over last year's bill. **However, several issues remain.**

Page 5, line 12 – Economic Development Article 10-854

This section creates a Climate Capital Fund to be administered by the Maryland Clean Energy Center (MCEC). MCEC is largely reliant on funding from the Maryland Energy Administration MEA via the Strategic Energy Investment Fund (SEIF). Should the mandatory \$5 million appropriation also come from the SEIF, MEA's programs used for climate change efforts, greenhouse gas (GHG) reduction, and clean and renewable energy deployment would be equally reduced, limiting the effectiveness of the goals established in the bill. Additionally, the fund creates duplicative efforts under 10-855(d)(1) through (3) and (7), which are current MEA undertakings. Other paragraphs under this subsection may create duplicative efforts with other agencies.

Page 33, Line 5 - Public Safety Article 12-503(b)(3)

This section will require MEA to terminate any programs that incentivize natural gas as an on-site resiliency measure as well as a generation asset. This may hinder or eliminate the deployment of highly efficient combined heat and power (CHP) that is popular for use in critical infrastructure facilities, such as hospitals, as it helps them continue operations during catastrophic events. It may also hinder or eliminate the existing Resilient Maryland Program, that assists in the design phase of resilient campuses that can provide their own power during outages. These projects often use multiple energy sources, including, but not limited to natural gas. Lastly, the Maryland Energy Infrastructure Program would also be eliminated, which has expanded energy options and aided in the development of energy infrastructure for historically underserved communities in Maryland in Baltimore City and Somerset County.

Page 41, line 19 - State Finance and Procurement Article 14-418

This section requires a rapid escalation of the purchase of state fleet vehicles that are zero emission vehicles. As the SEIF is used to fund all MEA's climate change, GHG reduction, and energy programs, this rapid expansion will likely hinder these existing programs significantly if SEIF resources are further diverted for the purchase of fleet vehicles.

Pg. 43, ln. 29 - State Government Article 9-2010

MEA will be required to create a Net-Zero School Grant Program, adopt regulations, and create program guidelines and program materials. MEA has already supported three net-zero schools in Maryland (two in Baltimore City and one in Howard County). The agency supports the development of highly efficient schools through construction or retrofit, and MEA continues its work with the Interagency Commission on School Construction in assisting local education agencies that are developing energy plans and energy use reporting mechanisms. However, if the annual funding required by subsection (k) is sourced from the SEIF, the energy and GHG improvements of the school program will be offset by reductions in other programs, severely limiting any net emissions reductions.

MEA urges the committee to consider the forgoing when issuing its report.