



HB1040 - SUPPORT
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HB1040 – Maryland Strategic Energy Investment Fund – Mandated Use – Climate Change Program

Meeting of the Environment and Transportation Committee

March 3, 2026

Dear Chair Korman, Vice Chair Guyton, and Members of the Committee, on behalf of Elders Climate Action Maryland, I urge a favorable report on HB1040.

Elders Climate Action is a nationwide organization devoted to ensuring that our children, grandchildren, and future generations have a world in which they can thrive. The Maryland Chapter has members across the state.

Each day, we see the climate crisis more clearly. We know that Maryland is at risk for sea level rise, flooding from intense rainfall, heat waves, and other extreme weather events. Maryland can also be a leader in moving us to a safer, cleaner future where we all can thrive. The clean energy transition is an essential part of that future.

But there are serious obstacles to that transition. The Trump Administration is hostile to clean energy and has taken back money Maryland expected to receive to increase renewable energy, energy efficiency, and electrification. Maryland is also suffering serious budget problems again this year.

It's not just the state that is experiencing a budget crunch. Many Maryland households are struggling to make ends meet. Rising utility bills are a large part of that problem. For those of us on fixed incomes, including many of our members, this is a growing concern.

We know that the cheapest energy is the energy we don't use – energy efficiency measures can bring major savings. Improving energy efficiency goes beyond weatherizing buildings. Replacing old fossil fuel-burning equipment with more energy-efficient heat pumps, electric vehicles, etc., can markedly reduce operating costs and save money over the life of the equipment.

For the energy we need to use, solar and wind are the least expensive sources. But making your home more energy-efficient, installing solar panels, etc., all have upfront costs that many families, small businesses, non-profit organizations, and local governments cannot afford. They need help covering those upfront costs to be able to realize the savings. Those savings come with other benefits like healthier, more comfortable homes, cleaner air, and helping us reach our climate goals.

The Strategic Energy Investment Fund (SEIF) was established to support the growth of clean energy in Maryland, increase energy efficiency, and help low-and-moderate income Marylanders meet their energy needs. It is not taxpayer funded. The money in the SEIF comes from the Regional Greenhouse Gas Initiative and Alternative Compliance Payments. Those funds come from utility companies, who get the money from ratepayers.

Last year, the General Assembly took \$300 million from the SEIF to balance the General Fund budget. This year, the budget pressures are even higher. It's understandable that the General Assembly is trying to find funds wherever it can, but we believe it is essential that the SEIF continue to serve its intended purpose.

HB1040 requires that at least \$365 million of the SEIF be spent on the intended programs and that at least 40% of SEIF spending go to low-and-moderate income households and overburdened and underserved communities. At least \$50 million would go to our state's green bank, the Maryland Clean Energy Center, to foster innovation and project development in green energy.

Using the SEIF funds in this way can help struggling families and bring Maryland a brighter, cleaner, and more prosperous future. For all of these reasons, we strongly urge a favorable report on HB1040.

Thank you.