



CHESAPEAKE BAY FOUNDATION

House Bill 1040

Maryland Strategic Energy Investment Fund - Mandated Uses - Climate Change Programs

Date: March 3, 2026	Position: FAVORABLE
To: Environment & Transportation Committee Appropriations Committee	From: Matt Stegman, MD Staff Attorney

The Chesapeake Bay Foundation (CBF) **SUPPORTS House Bill 1040**, which would reserve the bulk of funds in the Strategic Energy Investment Fund (SEIF) for specific purposes related to climate change resilience and renewable energy development and deployment. In FY 2026 and in the preliminary FY 2027 budgets, large portions of the SEIF have been rededicated to General Fund relief. While these actions may be understandable in the context of historic budget shortfalls, raiding SEIF funds to balance the budget is not a sustainable practice and imperils Maryland's ability to achieve our climate resilience and clean energy goals.

Maryland's SEIF is our single largest non-taxpayer-generated source of revenue specifically targeted toward advancing climate pollution reduction and supporting low-income, overburdened, and underserved Marylanders. Its critical programs include energy efficiency grants, decarbonizing schools, clean energy rebates, community solar, electric vehicle rebates and infrastructure, electric school buses, energy assistance, and much more.

HB 1040 would reaffirm Maryland's climate commitments by mandating continued funding at FY 26 levels for programs that meet our renewable energy, affordability, or climate reduction goals. This funding would be locked in for FY 2028-2032, which would provide much-needed certainty for existing programs and flexibility to implement new programs as our needs and goals evolve. This bill represents a prudent approach to ensure Maryland continues to make meaningful progress towards climate resiliency and a clean energy future.

CBF urges the Committees' FAVORABLE report on HB 1040.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.

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The Chesapeake Bay Foundation (CBF) is a non-profit environmental education and advocacy organization dedicated to the restoration and protection of the Chesapeake Bay. With over 200,000 members and e-subscribers, including 71,000 in Maryland alone, CBF works to educate the public and to protect the interest of the Chesapeake and its resources.