HOUSE BILL 1106

C5, M3, C8

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CF SB 921

By: **Delegates Frick, Davis, B. Barnes, Barkley, Barron, Barve, Brooks, Clippinger, Cullison, Dumais, Ebersole, Fraser–Hidalgo, Gilchrist, Gutierrez, Healey, Hill, Hixson, Jalisi, Kaiser, Kelly, Korman, Kramer, Lam, Lierman, Luedtke, A. Miller, Moon, Morhaim, Pena–Melnyk, Platt, Reznik, S. Robinson, Smith, Tarlau, Turner, Valderrama, Valentino–Smith, Vaughn, Waldstreicher, and A. Washington**

Introduced and read first time: February 11, 2016
Assigned to: Economic Matters

A BILL ENTITLED

AN ACT concerning

Clean Energy Jobs – Renewable Energy Portfolio Standard Revisions

FOR the purpose of establishing the Clean Energy Workforce Account in the Maryland Employment Advancement Right Now Program; providing for the funding of the Account; specifying the purpose for which the Account may be used; specifying the priority for grants awarded from the Account; requiring the Department of Labor, Licensing, and Regulation to include certain information about the Account in a certain annual report; altering the renewable energy portfolio standard percentage derived from solar energy for certain years; altering the renewable energy portfolio standard percentage derived from Tier 1 renewable sources for certain years; altering the minimum required percentage of Tier 1 renewable energy that must be derived from solar energy in the State's renewable energy portfolio standard in certain years; altering the minimum required percentage of energy that must be derived from Tier 1 renewable sources in the State's renewable energy portfolio standard in certain years; altering the compliance fee for an electricity supplier that fails to comply with certain renewable energy portfolio standards for certain years; establishing certain compliance fees for an electricity supplier that fails to comply with certain renewable energy portfolio standards for certain years; altering the percentage of total annual electricity sales revenues based on which an electricity supplier may request a delay of certain solar energy requirements in the renewable energy portfolio standard; establishing the Clean Energy Business Development Account in the Small, Minority, and Women–Owned Businesses Account; providing for the funding in the Clean Energy Account; specifying the purpose for which the Clean Energy Account may be used; prohibiting funding from the Clean Energy Account from being limited to certain businesses; requiring the Maryland Energy Administration to use the Maryland Strategic Energy Investment Fund in a certain

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets] indicate matter deleted from existing law.

manner; requiring proceeds from a certain Public Service Commission order to be allocated in a certain manner; stating certain findings of the General Assembly; defining certain terms; providing for the application of this Act; making the provisions of this Act severable; and generally relating to clean energy jobs and the renewable energy portfolio standard.

BY adding to
Article – Labor and Employment
Section 11–708.1
Annotated Code of Maryland
(2008 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,
Article – Labor and Employment
Section 11–709
Annotated Code of Maryland
(2008 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 7–702, 7–703(b)(12), (13), (14), (15), (16), and (17), and 7–705(b) and (e)
Annotated Code of Maryland
(2010 Replacement Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–1A–35, 9–20B–01, and 9–20B–05(f) and (i) through (l)
Annotated Code of Maryland
(2014 Replacement Volume and 2015 Supplement)

BY adding to
Article – State Government
Section 9–20B–05(i)
Annotated Code of Maryland
(2014 Replacement Volume and 2015 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Labor and Employment

11–708.1.

(A) THERE IS A CLEAN ENERGY WORKFORCE ACCOUNT.

(B) THE ACCOUNT SHALL BE FUNDED IN ACCORDANCE WITH § 9–20B–05(I) OF THE STATE GOVERNMENT ARTICLE.

1 (C) (1) MONEY IN THE ACCOUNT SHALL BE USED TO PROVIDE GRANTS ON
2 A COMPETITIVE BASIS FOR STRATEGIC INDUSTRY PARTNERSHIPS THAT:

3 (I) 1. PROVIDE PRE–APPRENTICESHIP JOB TRAINING FOR
4 CAREERS IN THE CLEAN ENERGY INDUSTRY; OR

5 2. PROVIDE CAREER PATHS FOR WORKERS FROM
6 WITHIN THE CLEAN ENERGY INDUSTRY OR ASSOCIATED INDUSTRIES TO ADVANCE
7 THEIR CAREERS WITHIN THE CLEAN ENERGY INDUSTRY; AND

8 (II) COMPLY WITH THIS SUBTITLE.

9 (2) MONEY IN THE ACCOUNT SHALL BE SUPPLEMENTAL TO AND IS
10 NOT INTENDED TO TAKE THE PLACE OF THE ANNUAL APPROPRIATIONS TO THE
11 MARYLAND EARN PROGRAM.

12 (D) GRANTS SHALL BE AWARDED FROM THE ACCOUNT WITH PRIORITY
13 GIVEN TO STRATEGIC INDUSTRY PARTNERSHIPS THAT:

14 (1) SEEK TO ADVANCE EMPLOYMENT OPPORTUNITIES AND PROVIDE
15 JOB READINESS TRAINING FOR INDIVIDUALS FROM ECONOMICALLY DISTRESSED
16 AREAS WITH HIGH RATES OF UNEMPLOYMENT OR HIGH PERCENTAGES OF
17 HOUSEHOLDS THAT EARN LESS THAN 80% OF THE AREA MEDIAN INCOME;

18 (2) SEEK TO ADVANCE EMPLOYMENT OPPORTUNITIES AND PROVIDE
19 JOB READINESS TRAINING FOR DISADVANTAGED WORKERS THAT HAVE BARRIERS
20 TO ENTRY INTO THE LABOR FORCE, INCLUDING:

21 (I) HOMELESSNESS;

22 (II) PRIOR CRIMINAL RECORDS;

23 (III) RECEIPT OF PUBLIC ASSISTANCE;

24 (IV) UNEMPLOYMENT WITH NO HIGH SCHOOL EDUCATION;

25 (V) VETERANS OF THE ARMED FORCES OF THE UNITED STATES;
26 AND

27 (VI) FORMER FOSTER CARE YOUTH; OR

(3) SEEK TO BUILD LOCAL WORKFORCE CAPACITY THROUGH COOPERATION WITH COMMUNITY COLLEGES OR OTHER LOCAL GOVERNMENT ORGANIZATIONS.

11–709.

(a) On or before December 31 of each year, the Department shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, to the Senate Finance Committee and the House Economic Matters Committee on the Maryland EARN Program.

(b) The report required under subsection (a) of this section shall include:

(1) an identification of training needs statewide, including industries in urgent need of qualified workers;

(2) information on measures being used to track the success and accountability of the Maryland EARN Program, including use of the StateStat accountability process under § 3–1003(b) of the State Finance and Procurement Article;

(3) (i) a description of each strategic industry partnership receiving grant funding and the status of the partnership; and

(ii) the jurisdiction of the State in which each strategic industry partnership is located;

(4) the number of individuals:

(i) by sex, race, national origin, income, county of residence, and educational attainment, participating in each component of the Maryland EARN Program; and

(ii) participating in the Maryland EARN Program who, as a result of the Program, have obtained:

1. a credential or an identifiable skill;

2. a new employment position;

3. a title promotion; or

4. a wage promotion; **[**and**]**

(5) an assessment of whether and to what extent the approved strategic industry partnerships utilized existing data concerning:

(i) training needs in the State identified in previous studies; and

(ii) applicable skills needs identified in existing workforce studies, plans, or research; AND

(6) INFORMATION ON THE SUCCESS OF FUNDING STRATEGIC INDUSTRY PARTNERSHIPS THAT ACHIEVE THE PRIORITIES UNDER § 11–708.1 OF THIS SUBTITLE.

Article – Public Utilities

7–702.

(a) It is the intent of the General Assembly to:

(1) recognize the economic, environmental, fuel diversity, and security benefits of renewable energy resources;

(2) establish a market for electricity from these resources in Maryland; and

(3) lower the cost to consumers of electricity produced from these resources.

(b) The General Assembly finds that:

(1) the benefits of electricity from renewable energy resources, including long–term decreased emissions, a healthier environment, increased energy security, and decreased reliance on and vulnerability from imported energy sources, accrue to the public at large; [and]

(2) electricity suppliers and consumers share an obligation to develop a minimum level of these resources in the electricity supply portfolio of the State;

(3) THE RENEWABLE ENERGY PORTFOLIO STANDARD IS AN ESSENTIAL CARBON–REDUCING PROGRAM FOR THE STATE, AS IDENTIFIED IN THE STATE'S GREENHOUSE GAS REDUCTION PLAN DEVELOPED UNDER § 2–1205 OF THE ENVIRONMENT ARTICLE; AND

(4) ACHIEVING A RENEWABLE PORTFOLIO STANDARD OF 25% FROM TIER 1 RENEWABLE SOURCES BY 2020 WOULD, IF CONTINUED AT THE SAME RATE OF GROWTH, PUT THE STATE ON A TRAJECTORY TOWARDS CONSUMING AT LEAST 40% OF ITS ELECTRICITY FROM RENEWABLE ENERGY SOURCES BY 2025, KEEPING THE STATE'S EFFORTS CONSISTENT WITH INTERNATIONAL EFFORTS TO REACH CARBON REDUCTIONS IN ACCORDANCE WITH SCIENTIFIC DATA.

7–703.

(b) The renewable energy portfolio standard shall be as follows:

(12) in 2017:

(i) 13.1% from Tier 1 renewable sources, including:

1. at least [0.95%] **1.15%** derived from solar energy; and

2. an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy; and

(ii) 2.5% from Tier 2 renewable sources;

(13) in 2018:

(i) 15.8% from Tier 1 renewable sources, including:

1. at least [1.4%] **1.5%** derived from solar energy; and

2. an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy; and

(ii) 2.5% from Tier 2 renewable sources;

(14) in 2019, [17.4%] **20.4%** from Tier 1 renewable sources, including:

(i) at least [1.75%] **1.95%** derived from solar energy; and

(ii) an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy; **AND**

(15) in 2020 **AND LATER**, [18%] **25%** from Tier 1 renewable sources, including:

(i) at least [2.0%] **2.5%** derived from solar energy; and

(ii) an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy[;

(16) in 2021, 18.7% from Tier 1 renewable sources, including:

(i) at least 2.0% derived from solar energy; and

(ii) an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy; and

(17) in 2022 and later, 20% from Tier 1 renewable sources, including:

(i) at least 2% derived from solar energy; and

(ii) an amount set by the Commission under § 7–704.2(a) of this subtitle, not to exceed 2.5%, derived from offshore wind energy**]**.

7–705.

(b) (1) This subsection does not apply to a shortfall from the required Tier 1 renewable sources that is to be derived from offshore wind energy.

(2) If an electricity supplier fails to comply with the renewable energy portfolio standard for the applicable year, the electricity supplier shall pay into the Maryland Strategic Energy Investment Fund established under § 9–20B–05 of the State Government Article:

(i) except as provided in item (ii) of this paragraph, a compliance fee of:

1. **[**4 cents**]** **THE FOLLOWING AMOUNTS** for each kilowatt–hour of shortfall from required Tier 1 renewable sources other than the shortfall from the required Tier 1 renewable sources that is to be derived from solar energy**:**

A. 4 CENTS THROUGH 2016; AND

B. 3.75 CENTS IN 2017 AND LATER;

2. the following amounts for each kilowatt–hour of shortfall from required Tier 1 renewable sources that is to be derived from solar energy:

A. 45 cents in 2008;

B. 40 cents in 2009 through 2014;

C. 35 cents in 2015 and 2016;

D. **[**20**]** **19.5** cents in 2017 **[**and 2018**]**;

E. **[**15 cents in 2019 and 2020**]** **17.5 CENTS IN 2018**;

F. **[**10 cents in 2021 and 2022**]** **15 CENTS IN 2019**; **[**and**]**

G. **[**5 cents in 2023 and later**]** **12.5 CENTS IN 2020**; **[**and**]**

H. 10 CENTS IN 2021;

1 **I. 7.5 CENTS IN 2022;**

2 **J. 6 CENTS IN 2023;**

3 **K. 5 CENTS IN 2024 AND LATER; AND**

4 3. 1.5 cents for each kilowatt–hour of shortfall from required
5 Tier 2 renewable sources; or

6 (ii) for industrial process load:

7 1. for each kilowatt–hour of shortfall from required Tier 1
8 renewable sources, a compliance fee of:

9 A. 0.8 cents in 2006, 2007, and 2008;

10 B. 0.5 cents in 2009 and 2010;

11 C. 0.4 cents in 2011 and 2012;

12 D. 0.3 cents in 2013 and 2014;

13 E. 0.25 cents in 2015 and 2016; and

14 F. except as provided in paragraph (3) of this subsection, 0.2
15 cents in 2017 and later; and

16 2. nothing for any shortfall from required Tier 2 renewable
17 sources.

18 (3) For industrial process load, the compliance fee for each kilowatt–hour
19 of shortfall from required Tier 1 renewable sources is:

20 (i) 0.1 cents in any year during which suppliers are required to
21 purchase ORECs under § 7–704.2 of this subtitle; and

22 (ii) nothing for the year following any year during which, after final
23 calculations, the net rate impact per megawatt–hour from qualified offshore wind projects
24 exceeded $1.65 in 2012 dollars.

25 (e) (1) Notwithstanding the requirements of § 7–703(b) of this subtitle, if the
26 actual or projected dollar–for–dollar cost incurred or to be incurred by an electricity
27 supplier solely for the purchase of Tier 1 renewable energy credits derived from solar energy
28 in any 1 year is greater than or equal to, or is anticipated to be greater than or equal to,

[1%] **2.5%** of the electricity supplier's total annual electricity sales revenues in Maryland, the electricity supplier may request that the Commission:

(i) delay by 1 year each of the scheduled percentages for solar energy under § 7–703(b) of this subtitle that would apply to the electricity supplier; and

(ii) allow the renewable energy portfolio standard for solar energy for that year to continue to apply to the electricity supplier for the following year.

(2) In making its determination under paragraph (1) of this subsection, the Commission shall consider the actual or projected dollar–for–dollar compliance costs of other electricity suppliers.

(3) If an electricity supplier makes a request under paragraph (1) of this subsection based on projected costs, the electricity supplier shall provide verifiable evidence of the projections to the Commission at the time of the request.

(4) If the Commission allows a delay under paragraph (1) of this subsection:

(i) the renewable energy portfolio standard for solar energy applicable to the electricity supplier under the delay continues for each subsequent consecutive year that the actual or projected dollar–for–dollar costs incurred, or to be incurred, by the electricity supplier solely for the purchase of solar renewable energy credits is greater than or equal to, or is anticipated to be greater than or equal to, [1%] **2.5%** of the electricity supplier's total annual retail electricity sales revenues in Maryland; and

(ii) the renewable energy portfolio standard for solar energy applicable to the electricity supplier under the delay is increased to the next scheduled percentage increase under § 7–703(b) of this subtitle for each year in which the actual or projected dollar–for–dollar costs incurred, or to be incurred, by the electricity supplier solely for the purchase of solar renewable energy credits is less than, or is anticipated to be less than, [1%] **2.5%** of the electricity supplier's total annual retail electricity sales revenues in Maryland.

Article – State Government

9–1A–35.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "ACCOUNT" MEANS THE SMALL, MINORITY, AND WOMEN–OWNED BUSINESSES ACCOUNT ESTABLISHED UNDER THIS SECTION.

1 **(3) "CLEAN ENERGY ACCOUNT" MEANS THE CLEAN ENERGY**
2 **BUSINESS DEVELOPMENT ACCOUNT ESTABLISHED UNDER SUBSECTION (E) OF THIS**
3 **SECTION.**

4 **(4) "CLEAN ENERGY INDUSTRY" HAS THE MEANING STATED IN §**
5 **9–20B–01 OF THIS TITLE.**

6 **(5) "ELIGIBLE FUND MANAGER" MEANS AN ENTITY THAT HAS**
7 **SIGNIFICANT FINANCIAL OR INVESTMENT EXPERIENCE UNDER CRITERIA THAT THE**
8 **BOARD OF PUBLIC WORKS DEVELOPS.**

9 **[**(a)**] (B)** There is a Small, Minority, and Women–Owned Businesses Account
10 under the authority of the Board of Public Works.

11 **[**(b)**] (C)** (1) The Account shall receive money**:**

12 **(I)** as required under § 9–1A–27 of this subtitle**; AND**

13 **(II) FROM THE CLEAN ENERGY ACCOUNT ESTABLISHED UNDER**
14 **SUBSECTION (E) OF THIS SECTION.**

15 (2) Money in the Account shall be invested and reinvested by the Treasurer
16 and interest and earnings shall accrue to the Account.

17 (3) The Comptroller shall:

18 (i) account for the Account; and

19 (ii) on a properly approved transmittal prepared by the Board of
20 Public Works, issue a warrant to pay out money from the Account in the manner provided
21 under this section.

22 (4) The Account is a special, nonlapsing fund that is not subject to § 7–302
23 of the State Finance and Procurement Article.

24 (5) Expenditures from the Account shall only be made on a properly
25 approved transmittal prepared by the Board of Public Works as provided under subsection
26 **[**(c)**] (D)** of this section.

27 **[**(c)**] (D)** (1) **[**In this subsection, "eligible fund manager" means an entity that
28 has significant financial or investment experience, under criteria developed by the Board
29 of Public Works.

1 (2)] Subject to [the provisions of] paragraph [(3)] **(2)** of this subsection, the
2 Board of Public Works shall make grants to eligible fund managers to provide investment
3 capital and loans to small, minority, and women–owned businesses in the State.

4 [(3)] **(2)** The Board of Public Works shall ensure that eligible fund
5 managers allocate at least 50% of the funds from this Account to small, minority, and
6 women–owned businesses in the jurisdictions and communities surrounding a video lottery
7 facility.

8 **(E) (1) THERE IS A CLEAN ENERGY BUSINESS DEVELOPMENT ACCOUNT**
9 **AS A SUBACCOUNT IN THE ACCOUNT.**

10 **(2) THE CLEAN ENERGY ACCOUNT SHALL RECEIVE MONEY IN**
11 **ACCORDANCE WITH § 9–20B–05(I) OF THE STATE GOVERNMENT ARTICLE.**

12 **(3) MONEY IN THE CLEAN ENERGY ACCOUNT SHALL BE AVAILABLE**
13 **TO:**

14 **(I) MAKE GRANTS TO ELIGIBLE FUND MANAGERS TO PROVIDE**
15 **INVESTMENT CAPITAL AND LOANS TO SMALL, MINORITY, AND WOMEN–OWNED**
16 **BUSINESSES IN THE CLEAN ENERGY INDUSTRY IN THE STATE; AND**

17 **(II) PROVIDE A MANAGEMENT FEE TO COMPENSATE A FUND**
18 **MANAGER FOR ADMINISTRATIVE EXPENSES.**

19 **(4) FUNDING FROM THE CLEAN ENERGY ACCOUNT MAY NOT BE**
20 **LIMITED TO SMALL, MINORITY, AND WOMEN–OWNED BUSINESSES IN THE CLEAN**
21 **ENERGY INDUSTRY IN THE JURISDICTIONS AND COMMUNITIES SURROUNDING A**
22 **VIDEO LOTTERY FACILITY.**

23 **(5) A FUND MANAGER THAT PROVIDES INVESTMENT CAPITAL AND**
24 **LOANS UNDER THIS SUBSECTION SHALL BE COMPENSATED FOR MARKETING AND**
25 **OPERATION ON A MANAGEMENT FEE BASIS.**

26 [(d)] **(F)** Fund managers receiving grants under this section shall:

27 (1) keep proper records of funds and accounts;

28 (2) provide an annual report to the Governor and, in accordance with §
29 2–1246 of this article, the General Assembly on investment capital and loans made
30 pursuant to subsection [(c)] **(D)** of this section; and

31 (3) be subject to audit by the Office of Legislative Audits of the Department
32 of Legislative Services.

[(e)] **(G)** (1) Subject to paragraph (2) of this subsection, **EXCEPT FOR AN ELIGIBLE FUND MANAGER MANAGING A GRANT UNDER SUBSECTION (E) OF THIS SECTION,** an eligible fund manager may use money from grants received under this section to pay expenses for administrative, actuarial, legal, and technical services.

(2) The Board of Public Works shall set the maximum amount of grant money that each eligible fund manager may use under paragraph (1) of this subsection.

[(f)] **(H)** Each fiscal year the Legislative Auditor shall audit and evaluate the utilization of the funds that are allocated to small, minority, and women–owned businesses by eligible fund managers under subsection [(c)(3)] **(D)(2)** of this section.

9–20B–01.

(a) In this subtitle the following words have the meanings indicated.

(b) "Administration" means the Maryland Energy Administration.

(c) "Board" means the Strategic Energy Investment Advisory Board established under § 9–20B–07 of this subtitle.

(D) "CLEAN ENERGY INDUSTRY" MEANS A GROUP OF EMPLOYERS THAT ARE ASSOCIATED BY THEIR PROMOTION OF:

(1) PRODUCTS AND SERVICES THAT IMPROVE ENERGY EFFICIENCY AND CONSERVATION, INCLUDING PRODUCTS AND SERVICES PROVIDED BY:

(I) ELECTRICIANS;

(II) HEATING, VENTILATION, AND AIR–CONDITIONING INSTALLERS;

(III) PLUMBERS; AND

(IV) ENERGY AUDITORS;

(2) RENEWABLE AND CLEAN ENERGY RESOURCES THAT REDUCE GREENHOUSE GAS EMISSIONS; AND

(3) TECHNOLOGY THAT ADVANCES EMISSIONS–FREE ENERGY SYSTEMS.

[(d)] **(E)** "Fund" means the Maryland Strategic Energy Investment Fund.

[(e)] **(F)** "Program" means the Maryland Strategic Energy Investment Program.

1 9–20B–05.

2 (f) The Administration shall use the Fund:

3 (1) to invest in the promotion, development, and implementation of:

4 (i) cost–effective energy efficiency and conservation programs,
5 projects, or activities, including measurement and verification of energy savings;

6 (ii) renewable and clean energy resources;

7 (iii) climate change programs directly related to reducing or
8 mitigating the effects of climate change; and

9 (iv) demand response programs that are designed to promote
10 changes in electric usage by customers in response to:

11 1. changes in the price of electricity over time; or

12 2. incentives designed to induce lower electricity use at times
13 of high wholesale market prices or when system reliability is jeopardized;

14 (2) to provide targeted programs, projects, activities, and investments to
15 reduce electricity consumption by customers in the low–income and moderate–income
16 residential sectors;

17 (3) to provide supplemental funds for low–income energy assistance
18 through the Electric Universal Service Program established under § 7–512.1 of the Public
19 Utilities Article and other electric assistance programs in the Department of Human
20 Resources;

21 (4) to provide rate relief by offsetting electricity rates of residential
22 customers, including an offset of surcharges imposed on ratepayers under § 7–211 of the
23 Public Utilities Article;

24 (5) to provide grants, loans, and other assistance and investment as
25 necessary and appropriate to implement the purposes of the Program as set forth in §
26 9–20B–03 of this subtitle;

27 (6) to implement energy–related public education and outreach initiatives
28 regarding reducing energy consumption and greenhouse gas emissions;

29 (7) to provide rebates under the Electric Vehicle Recharging Equipment
30 Rebate Program established under § 9–2009 of this title;

(8) to provide grants to encourage combined heat and power projects at industrial facilities; [and]

(9) TO INVEST IN PRE–APPRENTICESHIP, APPRENTICESHIP, AND OTHER WORKFORCE DEVELOPMENT PROGRAMS TO ESTABLISH CAREER PATHS IN THE CLEAN ENERGY INDUSTRY UNDER § 11–708.1 OF THE LABOR AND EMPLOYMENT ARTICLE;

(10) TO PROVIDE ACCESS TO CAPITAL FOR SMALL, MINORITY, AND WOMEN–OWNED BUSINESSES IN THE CLEAN ENERGY INDUSTRY UNDER § 9–1A–35 OF THIS TITLE; AND

[(9)] **(11)** to pay the expenses of the Program.

(I) MONEY THAT THE FUND RECEIVES UNDER PUBLIC SERVICE COMMISSION ORDER NUMBER 86372 SHALL BE ALLOCATED AS FOLLOWS:

(1) $10,000,000 TO A CLEAN ENERGY WORKFORCE ACCOUNT ESTABLISHED IN THE MARYLAND EMPLOYMENT ADVANCEMENT RIGHT NOW PROGRAM UNDER § 11–708.1 OF THE LABOR AND EMPLOYMENT ARTICLE; AND

(2) $30,000,000 TO A CLEAN ENERGY BUSINESS DEVELOPMENT ACCOUNT ESTABLISHED IN THE SMALL, MINORITY, AND WOMEN–OWNED BUSINESSES ACCOUNT UNDER § 9–1A–35 OF THIS TITLE.

[(i)] **(J)** (1) Except as provided in paragraph (2) of this subsection, compliance fees paid under § 7–705(b) of the Public Utilities Article may be used only to make loans and grants to support the creation of new Tier 1 renewable energy sources in the State.

(2) Compliance fees paid under § 7–705(b)(2)(i)2 of the Public Utilities Article shall be accounted for separately within the Fund and may be used only to make loans and grants to support the creation of new solar energy sources in the State.

[(j)] **(K)** (1) The Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any investment earnings of the Fund shall be paid into an administrative expense account within the Fund.

(3) Any repayment of principal and interest on loans made from the Fund shall be paid into the Fund.

(4) Balances in the Fund shall be held for the benefit of the Program, shall be expended solely for the purposes of the Program, and may not be used for the general obligations of government.

[(k)**]** **(L)** Expenditures from the Fund shall be made by:

(1) an appropriation in the annual State budget; or

(2) a budget amendment in accordance with § 7–209 of the State Finance and Procurement Article.

[(l)**]** **(M)** An expenditure by budget amendment may be made under subsection **[**(k)**]** **(L)** of this section only after:

(1) the Administration has submitted the proposed budget amendment and supporting documentation to the Senate Budget and Taxation Committee, Senate Finance Committee, House Appropriations Committee, and House Economic Matters Committee; and

(2) the committees have had 45 days for review and comment.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any contract existing before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That, if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act that can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

SIERRA CLUB

Climate & Energy Solutions for Maryland: Clean Energy Jobs Act

- In 2016, Maryland should update its Renewable Portfolio Standard (RPS) to accelerate the state's transition to renewable energy. The General Assembly should require that renewable sources provide 25% of the state's energy by 2020, with at least 2.5% from solar energy.

- Increasing Maryland's reliance on renewable energy is fully achievable. Maryland already is committed to obtaining 20% of its energy from renewable sources by 2022.

- Increasing the RPS requirements is a positive step toward a clean energy future that relies on energy sources like wind and solar. Separately, the RPS should be updated so that it no longer incentivizes combustion-based "renewable" sources, which release greenhouse gases and other pollutants into our atmosphere.

Let's Make 2016 a Turning Point in Maryland for Fighting Climate Change

Renewable Energy is Beneficial Energy for Maryland

- Climate benefits – A 25% renewable energy standard can create incentives for roughly 1,800 megawatts of new clean energy in our region and reduce greenhouse gas emissions by over 2.7 million metric tons per year (the equivalent of taking 563,000 passenger vehicles off the road every year).

- Health benefits – Fossil fuel combustion is a public health crisis. Maryland has some of the worst air quality on the East Coast, disproportionately harming communities of color and the poor. Cutting pollution from fossil fuel combustion will significantly improve the state's air quality.

- Economic benefits – Better health outcomes will increase our region's annual economic growth by hundreds of millions of dollars. Relying on more renewable energy should lead to thousands of new jobs in the solar and wind industries, including an annual increase of 1,000 new solar jobs.

- Reliability benefits – Weather in our region is getting more intense, and our electricity grid is increasingly compromised by climate-related hazards, including more intense storms and heat waves. Dispersed and locally generated electricity is a more sustainable solution to our energy needs.

Clean Energy is Affordable Energy for Maryland

- Average solar prices have fallen 63% since 2010 as U.S. installations have increased by 600%.

- Wind power costs hit record lows in 2014, have fallen by 58% in the last five years, and are projected to decrease 20-30% over the next 20 years. Wind is already out-competing natural gas and other fossil fuels in many parts of the country.

For more information or to volunteer, contact us:
Web - http://www.sierraclub.org/maryland/legislation
Email - Legislation@MDSierra.org