

SENATE BILL 313

C8

7lr0187
CF 7lr0188

By: **The President (By Request – Administration) and Senators Astle, Bates, Cassilly, Eckardt, Edwards, Feldman, Ferguson, Hershey, Klausmeier, Manno, Mathias, Middleton, Norman, Reilly, Rosapepe, Salling, Serafini, and Simonaire**

Introduced and read first time: January 20, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Maryland Energy Innovation Institute**

3 FOR the purpose of establishing a Maryland Energy Innovation Institute for certain
4 purposes; providing that the Institute is a part of the A. James Clark School of
5 Engineering of the University of Maryland; providing that the School shall manage
6 the Institute according to certain policies with advice of the Advisory Board of the
7 Institute; establishing the purposes of the Institute; providing that the exercise of
8 certain powers by the Institute is an essential governmental function; establishing
9 an Advisory Board of the Institute for certain purposes; providing for the
10 membership, terms, powers, and officers of the Institute Board; providing that the
11 Director of the University of Maryland Energy Research Center is the Director of the
12 Institute; providing for the appointment of an Associate Director; establishing the
13 duties of the Institute Director; authorizing the Institute to retain certain staff and
14 consultants; establishing the powers of the Institute; establishing the Maryland
15 Energy Innovation Fund as a special, nonlapsing revolving fund in the University
16 System of Maryland to be used by the Institute and the Maryland Clean Energy
17 Center; specifying the purposes and uses of the Fund; providing that the Institute
18 shall manage and supervise the Fund; requiring the State Treasurer to hold the
19 Fund and the Comptroller to account for the Fund; specifying the contents of the
20 Fund; providing for the investment of money in the Fund; requiring interest earnings
21 of the Fund to be credited to the Fund; providing for the audit of the books and
22 records of the Institute in a certain manner; requiring the Institute to report each
23 year to the Governor, the Maryland Energy Administration, and the General
24 Assembly on certain matters; altering the purposes of the Maryland Clean Energy
25 Center; altering the membership of the Board of Directors of the Center; providing
26 that the Governor shall appoint the chair of the Board; repealing the function of the
27 Center as a clearinghouse for certain information and materials for certain purposes;
28 providing that the Center shall consult with the Administration when cooperating

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



with certain entities and coordinating certain activities with certain programs and persons; requiring the Center to publish certain audits on its Web site; repealing the Maryland Clean Energy Technology Incubator Program in the Center; exempting the Fund from a certain provision of law requiring interest earnings of State money to accrue to the General Fund of the State; providing that the Institute is exempt from State and local taxes; providing for the transfer of certain funds in each of certain fiscal years to the Fund from the Strategic Energy Investment Fund; providing for the initial terms of the members of the Institute Board; requiring the Institute to conduct a certain study and report on its findings and recommendations to the Governor, the Administration, and the General Assembly on or before a certain date; defining certain terms; providing that certain obligations or contracts may not be impaired by this Act; and generally relating to the Maryland Energy Innovation Institute, the Maryland Clean Energy Center, and economic development.

BY repealing

Article – Economic Development

Section 10–829 through 10–837 and the part “Part III. Maryland Clean Energy Technology Incubator Program”

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 10–801(a), (b), (c), (e), (f), (h), and (i)

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 10–806, 10–807, 10–808, 10–823, and 10–825

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

BY adding to

Article – Economic Development

Section 10–828 through 10–838 to be under the new part “Part III. Maryland Energy Innovation Institute”

Annotated Code of Maryland

(2008 Volume and 2016 Supplement)

(As enacted by Section 1 of this Act)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6–226(a)(2)(i)

Annotated Code of Maryland

(2015 Replacement Volume and 2016 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)94. and 95.
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)96.
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That Section(s) 10–829 through 10–837 and the part “Part III. Maryland Clean Energy
Technology Incubator Program” of Article – Economic Development of the Annotated Code
of Maryland be repealed.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
as follows:

Article – Economic Development

10–801.

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

(b) “Administration” means the Maryland Energy Administration.

(c) “Board” means the Board of Directors of the Center.

(e) “Center” means the Maryland Clean Energy Center.

(f) “Clean energy” includes:

(1) solar photovoltaic technology;

(2) solar heating;

(3) geothermal;

(4) wind;

(5) biofuels;

(6) ethanol;

(7) other qualifying biomass as defined in § 7–701 of the Public Utilities Article;

(8) ocean, including energy from waves, tides, currents, and thermal differences;

(9) a fuel cell that produces energy from biofuels, ethanol, or other qualifying biomass;

(10) energy efficiency and conservation;

(11) any other technology or service that the Center determines will contribute directly or indirectly to the production of energy from renewable or sustainable sources, or to the improvement of efficiency in the use of energy; and

(12) deployment of any of the technologies or services listed in items (1) through (11) of this subsection.

(h) “Director” means the Director of the Administration.

(i) “Executive Director” means the Executive Director of the Maryland Clean Energy Center.

10–806.

(a) There is a Maryland Clean Energy Center.

(b) The Center is a body politic and corporate and is an instrumentality of the State.

(c) The exercise by the Center of the powers conferred by this subtitle is the performance of an essential governmental function.

(d) The purposes of the Center are to:

(1) promote economic development and jobs in the clean energy industry sector in the State;

(2) promote the deployment of clean energy technology in the State;

(3) serve as an incubator for the development of clean energy industry in the State;

(4) **IN COLLABORATION WITH THE ADMINISTRATION**, collect, analyze, and disseminate industry data; and

(5) provide outreach and technical support to further the clean energy industry in the State.

(e) The Center shall coordinate with the Maryland Energy Administration and may not duplicate the programs or activities of the Administration without consent of the Administration.

10–807.

(a) A Board of Directors shall manage the Center and exercise its corporate powers.

(b) The Board consists of the following [nine] 11 members:

(1) the Director, or the Director’s designee;

(2) THE DIRECTOR OF THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION;

(3) THE DIRECTOR OF THE MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY; and

[(2)] (4) eight members appointed by the Governor with the advice and consent of the Senate:

(i) two representing the not-for-profit clean energy research sector of the State;

(ii) two with expertise in venture capital financing;

(iii) two representing clean energy industries in the State; [and]

(iv) [two members] **ONE CONSUMER MEMBER; AND**

(V) ONE MEMBER of the general public.

(c) A member of the Board shall reside in the State.

(d) In making appointments to the Board, the Governor shall consider:

(1) diversity; and

(2) all geographic regions of the State.

(e) A member of the Board:

(1) may not receive compensation as a member of the Board; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) (1) The term of an appointed member is 4 years and begins on July 1.

(2) The terms of the appointed members are staggered as required by the terms provided for members on October 1, 2008.

(3) At the end of a term, an appointed member continues to serve until a successor is appointed and qualifies.

(4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(g) The Governor may remove an appointed member for incompetence, misconduct, or failure to perform the duties of the position.

10–808.

From among [its] **THE** members[,] **OF** the Board [shall elect]:

(1) THE GOVERNOR SHALL APPOINT a chair[,] AND

(2) THE BOARD SHALL ELECT a vice chair[,] and a treasurer.

10–823.

(a) [The Center shall serve as a clearinghouse for information and materials that may be pertinent to clean energy technology, education, and deployment in the State, for persons engaged in the clean energy industry as developers, manufacturers, and installers, as well as for consumers and financial institutions, including information on available federal, State, and private financial assistance and technical assistance.

(b)] The Center may:

(1) cooperate with and provide assistance to local governments, instrumentalities, and research entities in the State; and

(2) coordinate clean energy technology development, education, and deployment activities with programs of the federal government and of governmental units and public and private entities in and outside the State.

(B) THE CENTER SHALL CONDUCT THE ACTIVITIES UNDER THIS SECTION IN CONSULTATION WITH THE ADMINISTRATION.

1 10-825.

2 (A) The books and records of the Center are subject to audit:

3 (1) at any time by the State; and

4 (2) each year by an independent auditor.

5 (B) THE CENTER SHALL PUBLISH ITS ANNUAL AUDITS ON ITS WEB SITE.

6 PART III. MARYLAND ENERGY INNOVATION INSTITUTE.

7 10-828.

8 (A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS
9 INDICATED.

10 (B) "ACADEMIC INSTITUTION" MEANS A PUBLIC SENIOR HIGHER
11 EDUCATION INSTITUTION OR AN INDEPENDENT INSTITUTION OF HIGHER
12 EDUCATION IN THE STATE, AS THOSE TERMS ARE DEFINED IN § 10-101 OF THE
13 EDUCATION ARTICLE.

14 (C) "FUND" MEANS THE MARYLAND ENERGY INNOVATION FUND.

15 (D) "INSTITUTE" MEANS THE MARYLAND ENERGY INNOVATION INSTITUTE.

16 (E) "INSTITUTE BOARD" MEANS THE ADVISORY BOARD OF THE MARYLAND
17 ENERGY INNOVATION INSTITUTE.

18 (F) "INSTITUTE DIRECTOR" MEANS THE DIRECTOR OF THE MARYLAND
19 ENERGY INNOVATION INSTITUTE.

20 10-829.

21 (A) THERE IS A MARYLAND ENERGY INNOVATION INSTITUTE.

22 (B) THE INSTITUTE IS A PART OF THE A. JAMES CLARK SCHOOL OF
23 ENGINEERING OF THE UNIVERSITY OF MARYLAND.

24 (C) THE A. JAMES CLARK SCHOOL OF ENGINEERING SHALL MANAGE THE
25 INSTITUTE ACCORDING TO THE POLICIES OF THE UNIVERSITY OF MARYLAND AND
26 THE UNIVERSITY SYSTEM OF MARYLAND WITH THE ADVICE OF THE INSTITUTE
27 BOARD.

(D) THE PURPOSES OF THE INSTITUTE ARE TO:

(1) COLLABORATE WITH ACADEMIC INSTITUTIONS IN THE STATE TO PARTICIPATE IN CLEAN ENERGY PROGRAMS; AND

(2) DEVELOP AND ATTRACT PRIVATE INVESTMENT IN CLEAN ENERGY INNOVATION AND COMMERCIALIZATION IN THE STATE.

(E) THE EXERCISE BY THE INSTITUTE OF THE POWERS CONFERRED BY THIS PART IS THE PERFORMANCE OF AN ESSENTIAL GOVERNMENTAL FUNCTION.

10-830.

(A) (1) THERE IS AN ADVISORY BOARD OF THE INSTITUTE.

(2) THE INSTITUTE BOARD ADVISES THE UNIVERSITY OF MARYLAND ON THE MANAGEMENT OF THE INSTITUTE.

(B) THE INSTITUTE BOARD CONSISTS OF THE FOLLOWING NINE MEMBERS:

(1) THE CHAIR OF THE BOARD OF DIRECTORS OF THE MARYLAND CLEAN ENERGY CENTER;

(2) THE DIRECTOR; AND

(3) SEVEN MEMBERS SELECTED BY THE UNIVERSITY OF MARYLAND BASED ON EXPERTISE IN ENERGY TECHNOLOGY COMMERCIALIZATION, THE CLEAN ENERGY INDUSTRY, VENTURE CAPITAL FINANCING, AND ENERGY RESEARCH.

(C) A MEMBER OF THE INSTITUTE BOARD:

(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE INSTITUTE BOARD; BUT

(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

(D) (1) THE TERM OF AN APPOINTED MEMBER IS 4 YEARS AND BEGINS ON JULY 1.

(2) THE TERMS OF THE APPOINTED MEMBERS ARE STAGGERED AS REQUIRED BY THE TERMS PROVIDED FOR MEMBERS ON JULY 1, 2017.

1 **(3) AT THE END OF A TERM, AN APPOINTED MEMBER CONTINUES TO**
2 **SERVE UNTIL A SUCCESSOR IS APPOINTED.**

3 **(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES**
4 **ONLY FOR THE REMAINDER OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED.**

5 **(E) FROM AMONG ITS MEMBERS, THE INSTITUTE BOARD SHALL ELECT A**
6 **CHAIR AND A VICE CHAIR.**

7 **10-831.**

8 **(A) THE INSTITUTE BOARD SHALL DETERMINE THE TIMES AND PLACES OF**
9 **ITS MEETINGS.**

10 **(B) (1) SEVEN MEMBERS OF THE INSTITUTE BOARD ARE A QUORUM.**

11 **(2) THE INSTITUTE BOARD MAY ACT WITH AN AFFIRMATIVE VOTE OF**
12 **FIVE MEMBERS.**

13 **10-832.**

14 **(A) (1) THE DIRECTOR OF THE UNIVERSITY OF MARYLAND ENERGY**
15 **RESEARCH CENTER, A UNIVERSITY OF MARYLAND FACULTY MEMBER, SHALL BE**
16 **THE DIRECTOR OF THE INSTITUTE.**

17 **(2) THE INSTITUTE DIRECTOR SHALL APPOINT AN ASSOCIATE**
18 **DIRECTOR WHO SHALL BE A UNIVERSITY OF MARYLAND FACULTY MEMBER.**

19 **(B) THE INSTITUTE DIRECTOR, OR THE INSTITUTE DIRECTOR'S DESIGNEE,**
20 **SHALL:**

21 **(1) ATTEND ALL MEETINGS OF THE INSTITUTE BOARD;**

22 **(2) ACT AS SECRETARY TO THE INSTITUTE BOARD;**

23 **(3) KEEP MINUTES OF ALL PROCEEDINGS OF THE INSTITUTE BOARD;**

24 **(4) APPROVE ALL SALARIES, PER DIEM PAYMENTS, AND ALLOWABLE**
25 **EXPENSES OF THE INSTITUTE, ITS EMPLOYEES, AND ITS CONSULTANTS;**

26 **(5) APPROVE ANY EXPENSES INCIDENTAL TO THE OPERATION OF THE**
27 **INSTITUTE; AND**

(6) PERFORM THE OTHER DUTIES THE INSTITUTE BOARD DIRECTS IN CARRYING OUT THIS PART.

10-833.

THE INSTITUTE MAY RETAIN ANY STAFF OR CONSULTANTS.

10-834.

THE INSTITUTE MAY:

(1) MAINTAIN OFFICES AT THE UNIVERSITY OF MARYLAND, COLLEGE PARK;

(2) COORDINATE AND PROMOTE ENERGY RESEARCH AND EDUCATION AT THE UNIVERSITY OF MARYLAND, COLLEGE PARK, INCLUDING ITS RELEVANT ENERGY CENTERS, AS WELL AS AT OTHER ACADEMIC INSTITUTIONS;

(3) PROVIDE ENERGY POLICY ADVICE TO STATE AND FEDERAL UNITS;

(4) COLLABORATE WITH OTHER ACADEMIC INSTITUTIONS, GOVERNMENTAL UNITS, FOUNDATIONS, AND INDUSTRIAL COMPANIES FOR CLEAN ENERGY RESEARCH AND INNOVATION;

(5) PURSUE GRANTS, OTHER FUNDS, AND IN-KIND CONTRIBUTIONS FOR CLEAN ENERGY RESEARCH AND INNOVATION;

(6) PROVIDE SEED GRANT FUNDING TO ACADEMIC INSTITUTION-BASED ENTREPRENEURS OR ENTITIES, IN ORDER TO PROMOTE THE COMMERCIALIZATION OF CLEAN ENERGY TECHNOLOGIES DEVELOPED WHOLLY OR PARTLY BY AN ACADEMIC INSTITUTION;

(7) WORK WITH THE MARYLAND TECHNOLOGY ENTERPRISE INSTITUTE TO JOINTLY MANAGE, OPERATE, AND MAINTAIN FACILITIES FOR A CLEAN ENERGY INCUBATOR AT THE UNIVERSITY OF MARYLAND, COLLEGE PARK;

(8) WORK WITH THE MARYLAND TECHNOLOGY ENTERPRISE INSTITUTE TO EXPAND MARYLAND INDUSTRIAL PARTNERSHIP AWARDS TO PROMOTE THE COMMERCIALIZATION OF CLEAN ENERGY TECHNOLOGIES DEVELOPED WHOLLY OR PARTLY BY AN ACADEMIC INSTITUTION;

1 **(9) WORK WITH THE MARYLAND TECHNOLOGY ENTERPRISE**
2 **INSTITUTE AND THE UNIVERSITY OF MARYLAND OFFICE OF TECHNOLOGY**
3 **COMMERCIALIZATION TO:**

4 **(I) IDENTIFY ENERGY TECHNOLOGIES AT ACADEMIC**
5 **INSTITUTIONS THAT MAY BE VIABLE FOR COMMERCIALIZATION; AND**

6 **(II) PROVIDE GRANT FUNDING AND INVESTMENT FINANCING TO**
7 **COVER PATENT, FACILITIES, AND OTHER COSTS NOT ALLOWED UNDER FEDERAL OR**
8 **STATE RESEARCH GRANTS TO AN ACADEMIC INSTITUTION-BASED ENTREPRENEUR**
9 **OR ENTITY, IN ORDER TO PROMOTE THE COMMERCIALIZATION OF CLEAN ENERGY**
10 **TECHNOLOGIES DEVELOPED WHOLLY OR PARTLY BY AN ACADEMIC INSTITUTION;**

11 **(10) COORDINATE INCUBATION AND POTENTIAL FINANCING OF**
12 **ACADEMIC INSTITUTION-BASED ENTREPRENEURS OR ENTITIES WITH RESOURCES**
13 **PROVIDED BY THE CENTER;**

14 **(11) WORK CLOSELY WITH STATE UNITS, INDUSTRIAL PARTNERS,**
15 **NONGOVERNMENTAL ORGANIZATIONS, AND FEDERAL AGENCIES AND**
16 **LABORATORIES TO ENSURE EFFECTIVE IMPLEMENTATION AND EXECUTION OF THE**
17 **STATE'S ENERGY MISSION AND VISION;**

18 **(12) UNDERGO PERIODIC REVIEWS EVERY 5 YEARS CONSISTENT WITH**
19 **UNIVERSITY SYSTEM OF MARYLAND POLICIES; AND**

20 **(13) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE**
21 **POWERS GRANTED BY THIS PART.**

22 **10-835.**

23 **(A) (1) THERE IS A MARYLAND ENERGY INNOVATION FUND IN THE**
24 **UNIVERSITY SYSTEM OF MARYLAND.**

25 **(2) THE FUND SHALL BE USED BY THE INSTITUTE AND THE CENTER.**

26 **(B) (1) THE INSTITUTE:**

27 **(I) MAY USE THE FUND TO:**

28 **1. CARRY OUT THE PURPOSES OF THIS SUBTITLE,**
29 **INCLUDING THE PURPOSES LISTED IN § 10-834 OF THIS SUBTITLE;**

1 **2. PURCHASE ADVISORY SERVICES AND TECHNICAL**
2 **ASSISTANCE TO BETTER SUPPORT ECONOMIC DEVELOPMENT; AND**

3 **3. PAY THE ADMINISTRATIVE, LEGAL, AND ACTUARIAL**
4 **EXPENSES OF THE INSTITUTE; AND**

5 **(II) SHALL USE THE FUND FOR THE ADMINISTRATIVE AND**
6 **OPERATING COSTS OF THE CENTER.**

7 **(2) THE CENTER MAY USE THE FUND TO:**

8 **(I) MAKE A GRANT OR A LOAN UNDER THIS SUBTITLE, AT THE**
9 **RATE OF INTEREST THE CENTER SETS;**

10 **(II) PROVIDE EQUITY INVESTMENT FINANCING FOR A BUSINESS**
11 **ENTERPRISE UNDER THIS SUBTITLE; AND**

12 **(III) GUARANTEE A LOAN, AN EQUITY, AN INVESTMENT, OR ANY**
13 **OTHER PRIVATE FINANCING TO EXPAND THE CAPITAL RESOURCES OF A BUSINESS**
14 **ENTERPRISE UNDER THIS SUBTITLE.**

15 **(C) THE INSTITUTE SHALL MANAGE AND SUPERVISE THE FUND.**

16 **(D) (1) THE FUND IS A SPECIAL, NONLAPSING REVOLVING FUND THAT IS**
17 **NOT SUBJECT TO REVERSION UNDER § 7-302 OF THE STATE FINANCE AND**
18 **PROCUREMENT ARTICLE.**

19 **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
20 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

21 **(E) THE FUND CONSISTS OF:**

22 **(1) MONEY APPROPRIATED BY THE STATE TO THE FUND;**

23 **(2) MONEY MADE AVAILABLE TO THE FUND THROUGH FEDERAL**
24 **PROGRAMS OR PRIVATE CONTRIBUTIONS;**

25 **(3) REPAYMENT OF PRINCIPAL OF A LOAN MADE FROM THE FUND;**

26 **(4) PAYMENT OF INTEREST ON A LOAN MADE FROM THE FUND;**

1 **(5) PROCEEDS FROM THE SALE, DISPOSITION, LEASE, OR RENTAL BY**
2 **THE CENTER OF COLLATERAL RELATED TO FINANCING THAT THE CENTER**
3 **PROVIDES UNDER THIS PART;**

4 **(6) PREMIUMS, FEES, ROYALTIES, INTEREST, REPAYMENTS OF**
5 **PRINCIPAL, AND RETURNS ON INVESTMENTS PAID TO THE CENTER BY OR ON**
6 **BEHALF OF:**

7 **(I) A BUSINESS ENTERPRISE IN WHICH THE CENTER HAS MADE**
8 **AN INVESTMENT UNDER THIS PART; OR**

9 **(II) AN INVESTOR PROVIDING AN INVESTMENT GUARANTEED BY**
10 **THE CENTER UNDER THIS PART;**

11 **(7) RECOVERY OF AN INVESTMENT MADE BY THE CENTER IN A**
12 **BUSINESS ENTERPRISE UNDER THIS SUBTITLE, INCLUDING AN ARRANGEMENT**
13 **UNDER WHICH THE CENTER'S INVESTMENT IN THE BUSINESS ENTERPRISE IS**
14 **RECOVERED THROUGH:**

15 **(I) A REQUIREMENT THAT THE FUND RECEIVE A PROPORTION**
16 **OF CASH FLOW, COMMISSION, ROYALTY, OR PAYMENT ON A PATENT; OR**

17 **(II) THE REPURCHASE FROM THE CENTER OF ANY EVIDENCE OF**
18 **INDEBTEDNESS OR OTHER FINANCIAL PARTICIPATION, INCLUDING A NOTE, STOCK,**
19 **BOND, OR DEBENTURE;**

20 **(8) REPAYMENT OF A CONDITIONAL GRANT EXTENDED BY THE**
21 **CENTER; AND**

22 **(9) ANY OTHER MONEY MADE AVAILABLE TO THE INSTITUTE FOR THE**
23 **FUND.**

24 **(F) (1) THE STATE TREASURER SHALL INVEST THE MONEY IN THE SAME**
25 **MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

26 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
27 **THE FUND.**

28 **(G) MONEY EXPENDED FROM THE FUND UNDER THIS SUBTITLE IS**
29 **SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT**
30 **OTHERWISE WOULD BE APPROPRIATED FOR THE CENTER, THE INSTITUTE, OR ANY**
31 **PART OF THE UNIVERSITY SYSTEM OF MARYLAND.**

1 **10-836.**

2 **THE INSTITUTE IS EXEMPT FROM STATE AND LOCAL TAXES.**

3 **10-837.**

4 **THE BOOKS AND RECORDS OF THE INSTITUTE ARE SUBJECT TO AUDIT:**

5 **(1) AT ANY TIME BY THE STATE; AND**

6 **(2) EACH YEAR BY AN INDEPENDENT AUDITOR THAT THE OFFICE OF**
7 **LEGISLATIVE AUDITS APPROVES.**

8 **10-838.**

9 **(A) ON OR BEFORE OCTOBER 1 EACH YEAR, THE INSTITUTE SHALL REPORT**
10 **TO THE GOVERNOR, THE ADMINISTRATION, AND, IN ACCORDANCE WITH § 2-1246**
11 **OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.**

12 **(B) THE REPORT SHALL INCLUDE A COMPLETE OPERATING AND FINANCIAL**
13 **STATEMENT COVERING THE INSTITUTE'S OPERATIONS AND A SUMMARY OF THE**
14 **INSTITUTE'S ACTIVITIES DURING THE PRECEDING FISCAL YEAR.**

15 **Article – State Finance and Procurement**

16 **6-226.**

17 **(a) (2) (i)** Notwithstanding any other provision of law, and unless
18 inconsistent with a federal law, grant agreement, or other federal requirement or with the
19 terms of a gift or settlement agreement, net interest on all State money allocated by the
20 State Treasurer under this section to special funds or accounts, and otherwise entitled to
21 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
22 Fund of the State.

23 **(ii)** The provisions of subparagraph (i) of this paragraph do not apply
24 to the following funds:

25 94. the Community Program Fund; [and]

26 95. the Maryland Corps Program Fund; AND

27 **96. THE MARYLAND ENERGY INNOVATION FUND.**

28 **SECTION 3. AND BE IT FURTHER ENACTED,** That for fiscal years 2018, 2019,
29 2020, 2021, and 2022, in each year, \$1,500,000 shall be transferred from the Strategic

1 Energy Investment Fund established under § 9–20B–05 of the State Government Article
2 to the Maryland Energy Innovation Fund established under § 10–835 of the Economic
3 Development Article, as enacted by Section 2 of this Act.

4 SECTION 4. AND BE IT FURTHER ENACTED, That the terms of the initial
5 members of the Advisory Board of the Maryland Energy Innovation Institute shall expire
6 as follows:

7 (1) two members in 2019;

8 (2) two members in 2020; and

9 (3) three members in 2021.

10 SECTION 5. AND BE IT FURTHER ENACTED, That:

11 (1) the Maryland Energy Innovation Institute, established by Section 2 of
12 this Act, shall study and evaluate:

13 (i) the availability and efficiency of the use of funds for the
14 development and deployment of clean energy technology in the State and the
15 commercialization of that technology, including funds from the Strategic Energy
16 Investment Fund, and other practical forms of financing;

17 (ii) the forecast need, if any, for additional funding or financing
18 options for these purposes; and

19 (iii) appropriate sources and levels of funding and financing options
20 for these purposes; and

21 (2) on or before December 1, 2019, the Institute shall submit a report of its
22 findings and recommendations under this section to the Governor, the Maryland Energy
23 Administration, and, in accordance with § 2–1246 of the State Government Article, the
24 General Assembly.

25 SECTION 6. AND BE IT FURTHER ENACTED, That a presently existing obligation
26 or contract right may not be impaired in any way by this Act.

27 SECTION 7. AND BE IT FURTHER ENACTED, That this Act shall take effect July
28 1, 2017.