

SENATE BILL 460

C8

1lr1742
CF HB 419

By: **Senator Feldman**

Introduced and read first time: January 20, 2021

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 13, 2021

CHAPTER _____

1 AN ACT concerning

2 **Economic Development – Advanced Clean Energy and Clean Energy Innovation**
3 **Investments and Initiatives**

4 FOR the purpose of altering references to the term “clean energy” to be “advanced clean
5 energy” for purposes of certain provisions of law concerning the Maryland Clean
6 Energy Center and the Maryland Energy Innovation Institute; altering certain
7 findings of the General Assembly, the purposes of certain provisions of law
8 concerning the development of clean energy industries in the State, and the
9 purposes, powers, and duties of the Center and the Institute to include certain
10 actions supporting clean energy innovation; designating the Center as the State
11 green bank; altering the membership of the Board of Directors of the Center;
12 authorizing the Center to enter into certain financing transactions with, on behalf
13 of, or for the benefit of certain State agencies for certain purposes; requiring the
14 Department of General Services and the Department of Budget and Management to
15 work with the Center for certain purposes; requiring the Maryland Technology
16 Development Corporation and the Institute to coordinate with each other in
17 supporting certain technology companies; requiring the Institute and the Center to
18 implement a certain accelerator program in a certain manner and to consult with
19 certain State agencies; altering a certain reporting requirement to include certain
20 information regarding clean energy innovation in the State; altering the purposes of
21 the Maryland Strategic Energy Investment Fund to include providing a certain
22 amount of funding each fiscal year to the Maryland Energy Innovation Fund;
23 clarifying the amount of certain funding provided in a certain fiscal year; specifying
24 the manner in which the funds may be used; providing for the elimination of the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



position of a certain member of the Board; making conforming changes; defining certain terms and altering certain definitions; and generally relating to the Maryland Clean Energy Center, the Maryland Energy Innovation Institute, and clean energy.

BY renumbering

Article – Economic Development

Section 10–801(g) through (p), respectively

to be Section 10–801(h) through (p) and (r), respectively

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – Economic Development

Section 9–101(a) and (c), 10–401(a) and (c), 10–402(a), 10–801(a) and (b), 10–806(a)

and (e), 10–807(a), 10–828(a), (c), and (d), 10–829(a), and 10–830(a)

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY adding to

Article – Economic Development

Section 10–402(d), 10–801(c), (g), and (q), and 10–821.1

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 10–801(c) through (e), 10–802, 10–806(d), 10–807(b), 10–820, 10–823, 10–826, 10–829(d), 10–830(b), 10–834, 10–835, and 10–839

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY repealing

Article – Economic Development

Section 10–801(f)

Annotated Code of Maryland

(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – State Government

Section 9–20B–05(a)

Annotated Code of Maryland

(2014 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – State Government

Section 9–20B–05(f)(10) and (11)

Annotated Code of Maryland
(2014 Replacement Volume and 2020 Supplement)

BY adding to

Article – State Government
Section 9–20B–05(f)(11) and (f–4)
Annotated Code of Maryland
(2014 Replacement Volume and 2020 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That Section(s) 10–801(g) through (p), respectively, of Article – Economic Development of
the Annotated Code of Maryland be renumbered to be Section(s) 10–801(h) through (p) and
(r), respectively.

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

Article – Economic Development

9–101.

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

(c) “Department” means the Department of Commerce.

10–401.

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

(c) “Corporation” means the Maryland Technology Development Corporation.

10–402.

(a) There is a Maryland Technology Development Corporation.

**(D) IN ACCORDANCE WITH § 10–834 OF THIS TITLE, THE CORPORATION AND
THE MARYLAND CLEAN ENERGY CENTER SHALL COORDINATE WITH THE
MARYLAND ENERGY INNOVATION INSTITUTE IN SUPPORTING MARYLAND–BASED
TECHNOLOGY COMPANIES ENGAGED IN CLEAN ENERGY INNOVATION.**

10–801.

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

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

(C) “ADVANCED CLEAN ENERGY” INCLUDES:

(1) SOLAR PHOTOVOLTAIC TECHNOLOGY;

(2) SOLAR HEATING;

(3) GEOTHERMAL;

(4) WIND;

(5) BIOFUELS;

(6) ETHANOL;

(7) RENEWABLE CHEMICAL PRODUCTION;

~~(7)~~ (8) OTHER QUALIFYING BIOMASS AS DEFINED IN § 7-701 OF
THE PUBLIC UTILITIES ARTICLE;

~~(8)~~ (9) OCEAN, INCLUDING ENERGY FROM WAVES, TIDES,
CURRENTS, AND THERMAL DIFFERENCES;

~~(9)~~ (10) A FUEL CELL THAT PRODUCES ENERGY WITH REDUCED
GREENHOUSE GAS EMISSIONS AS COMPARED TO CONVENTIONAL TECHNOLOGY;

~~(10)~~ (11) ENERGY EFFICIENCY AND CONSERVATION;

~~(11)~~ (12) COMBINED HEAT AND POWER;

~~(12)~~ (13) ENERGY STORAGE AND BATTERY TECHNOLOGIES;

~~(13)~~ (14) GRID MODERNIZATION, INCLUDING THE USE OF ARTIFICIAL
TECHNOLOGY AND INTEGRATED SYSTEMS FOR ENERGY DEMAND RESPONSE,
DEMAND MANAGEMENT TECHNOLOGY, AND IMPROVED ENERGY DISTRIBUTION;

~~(14)~~ (15) BIOTECHNOLOGY IN CLEAN ENERGY AND FOR THE
REDUCTION OF DIRECT AND INDIRECT AGRICULTURAL EMISSIONS;

~~(15)~~ (16) CARBON DIOXIDE REMOVAL AND MANAGEMENT OR REUSE;

~~(16)~~ (17) CLEAN FUELS AND DISPLACEMENT OF ENERGY-INTENSIVE
PRODUCTS;

~~(17)~~ (18) TRANSPORTATION ELECTRIFICATION AND MOBILITY
TECHNOLOGIES;

~~(18)~~ **(19)** NEW CONCEPTS TO IMPROVE SAFETY AND REDUCE THE
COST OF NUCLEAR POWER;

~~(19)~~ **(20)** CARBON-FREE GENERATION TECHNOLOGIES;

~~(20)~~ **(21)** 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

~~(21)~~ **(22)** DEPLOYMENT OF ANY OF THE TECHNOLOGIES OR SERVICES
LISTED IN ITEMS (1) THROUGH ~~(20)~~ **(21)** OF THIS SUBSECTION.

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

[(d)] (E) (1) “Bond” means a bond issued by the Center under this subtitle.

(2) “Bond” includes a revenue bond, a revenue refunding bond, a note, and
any other obligation, whether a general or limited obligation of the Center.

[(e)] (F) “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.]

(G) “CLEAN ENERGY INNOVATION” MEANS IN-STATE DEVELOPMENT AND DEPLOYMENT OF ADVANCED CLEAN ENERGY TECHNOLOGIES THAT ADDRESS THE GOALS OF:

(1) ENERGY EFFICIENCY IN ALL ECONOMIC SECTORS;

(2) CARBON-FREE GENERATION OF ELECTRICAL POWER; AND

(3) THE REDUCTION OF DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS IN ALL ECONOMIC SECTORS.

(Q) “STATE AGENCY” MEANS ANY PERMANENT OR TEMPORARY STATE OFFICE, DEPARTMENT, DIVISION OR UNIT, BUREAU, BOARD, COMMISSION, TASK FORCE, AUTHORITY, INSTITUTION, STATE COLLEGE OR UNIVERSITY, AND ANY OTHER UNIT OF STATE GOVERNMENT, WHETHER EXECUTIVE, LEGISLATIVE, OR JUDICIAL, AND ANY SUBUNITS OF STATE GOVERNMENT.

10–802.

(a) The General Assembly finds that:

(1) the United States as a whole, and the State in particular, are facing increased energy costs based on many factors, including rising fuel costs, limited investment in generation and transmission facilities, and a complex combination of market-based and other regulatory mechanisms that balance environmental, economic, health, and welfare interests;

(2) continued exclusive reliance on traditional forms of electricity supply entrenches the State’s dependence on fossil fuels, working against the State’s policy of decreasing greenhouse gas production, as evidenced by the State’s accession to the Regional Greenhouse Gas Initiative;

(3) [“clean”] **“ADVANCED CLEAN energy”**, a broad term that includes a wide and varied mixture of strategies and techniques to produce useful energy from renewable and sustainable sources in a manner that minimizes fossil fuel use and harmful emissions, and to increase the efficient use of energy derived from all sources, offers many different opportunities for residents of the State to succeed in entrepreneurial and other commercial activity, to the overall economic and environmental benefit of the entire State,

as measured in improved air and water quality, moderated energy expenditures, and increased State and local tax receipts;

(4) many individuals and businesses in the State possess talents and interest in the clean energy technology sector, which may form the basis for encouraging development and deployment of sustainable and renewable energy technologies in the State, the nation, and the world;

(5) the State will benefit from a targeted effort to establish and incubate **ADVANCED** clean energy industries **AND CLEAN ENERGY INNOVATION INDUSTRIES** in the State, including financial assistance, information sharing, and technical support for entrepreneurs in the manufacture and installation of **ADVANCED** clean energy technology **AND CLEAN ENERGY INNOVATIONS**; and

(6) it is in the public interest to establish a public corporation to undertake the tasks of promoting **ADVANCED** clean energy industries **AND CLEAN ENERGY INNOVATION INDUSTRIES** in the State, developing incubators for those industries, providing financial assistance, and also providing information sharing and technical assistance.

(b) The purposes of this subtitle are to:

(1) encourage the development of **ADVANCED** clean energy industries **AND CLEAN ENERGY INNOVATION INDUSTRIES** in the State;

(2) encourage the deployment of **ADVANCED** clean energy technologies **AND CLEAN ENERGY INNOVATIONS** in the State;

(3) help retain and attract business activity and commerce in the **ADVANCED** clean energy technology industry [sector] **AND CLEAN ENERGY INNOVATION INDUSTRY SECTORS** in the State;

(4) promote economic development; [and]

(5) **DESIGNATE THE MARYLAND CLEAN ENERGY CENTER AS A GREEN BANK FOR THE STATE ~~GREEN BANK; AND~~**

[(5)] (6) ENCOURAGE THE CENTER TO WORK IN CONJUNCTION WITH OTHER LOCAL AND PRIVATE GREEN BANKS; AND

(7) promote the health, safety, and welfare of residents of the State.

(c) The General Assembly intends that:

(1) the Center operate and exercise its corporate powers in all areas of the State;

(2) without limiting its authority to otherwise exercise its corporate powers, the Center exercise its corporate powers to assist governmental units and State and local economic development agencies to contribute to the expansion, modernization, and retention of existing enterprises in the State as well as the attraction of new business to the State;

(3) the Center cooperate with private industries and local governments in maximizing new economic opportunities for residents of the State; and

(4) the Center accomplish at least one of the purposes listed in subsection (b) of this section and complement existing State marketing and financial assistance programs by:

(i) owning projects;

(ii) leasing projects to other persons; or

(iii) lending the proceeds of bonds to other persons to finance the costs of acquiring or improving projects that the persons own or will own.

10–806.

(a) There is a Maryland Clean Energy Center.

(d) The purposes of the Center are to:

(1) promote economic development and jobs in the **ADVANCED** clean energy industry [sector] **AND CLEAN ENERGY INNOVATION INDUSTRY SECTORS** in the State;

(2) promote the deployment of **ADVANCED** clean energy technology **AND CLEAN ENERGY INNOVATIONS** in the State;

(3) serve as an incubator for the development of **THE ADVANCED** clean energy industry **AND CLEAN ENERGY INNOVATION 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 **ADVANCED** clean energy industry **AND CLEAN ENERGY INNOVATION INDUSTRY** in the State; **AND**

~~(6) SERVE AS THE STATE GREEN BANK.~~

(6) WORK AS A GREEN BANK AND IN CONJUNCTION WITH LOCAL AND PRIVATE GREEN BANKS.

(e) It is the intent of the General Assembly that, as the Center develops programs and activities under this subtitle, the Center and the Administration shall work collaboratively together, as appropriate, in order to coordinate shared-interest functions and avoid duplication of efforts.

10–807.

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

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

(1) the Director, or the Director’s designee; [and]

(2) THE DIRECTOR OF THE MARYLAND ENERGY INNOVATION INSTITUTE, OR THE DIRECTOR OF THE MARYLAND ENERGY INNOVATION INSTITUTE’S DESIGNEE; AND

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

(i) [two] **ONE** representing the nonprofit **ADVANCED** clean energy research sector of the State;

(ii) two with expertise in [venture] capital financing;

(iii) two representing **ADVANCED** clean energy industries in the State;

(iv) one consumer member; and

(v) one member of the general public.

10–820.

The Center may make grants to or provide equity investment financing for **ADVANCED** clean energy technology-based businesses **AND CLEAN ENERGY INNOVATION BUSINESSES.**

10–821.1.

(A) THE CENTER MAY ENTER INTO FINANCING TRANSACTIONS WITH, ON BEHALF OF, OR FOR THE BENEFIT OF ANY STATE AGENCY FOR THE PURPOSES OF A PROJECT ON STATE-OWNED OR STATE-LEASED PROPERTY.

(B) FINANCING UNDER THIS SECTION:

(1) MAY BE IN ANY FORM, INCLUDING BONDS, LOANS, GRANTS, ENERGY PERFORMANCE CONTRACTS, SHARED ENERGY SAVINGS CONTRACTS, PARTICIPATION AGREEMENTS, LEASE AGREEMENTS, AND REIMBURSEMENT AGREEMENTS; BUT

(2) MAY NOT PLEDGE THE FAITH AND CREDIT OF THE STATE.

(C) THE DEPARTMENT OF GENERAL SERVICES AND THE DEPARTMENT OF BUDGET AND MANAGEMENT SHALL WORK WITH THE CENTER TO ENSURE THAT FINANCING TRANSACTIONS UNDER THIS SECTION ARE EFFICIENT AND COST-EFFECTIVE FOR THE STATE.

10-823.

(a) The Center may disseminate information and materials pertinent to **ADVANCED** clean energy technology, **CLEAN ENERGY INNOVATION**, financing, and development in the State, for persons engaged in the **ADVANCED** clean energy [industry] **AND CLEAN ENERGY INNOVATION INDUSTRIES** 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 **ADVANCED** clean energy technology **AND CLEAN ENERGY INNOVATION** 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.

(c) The Center may conduct the activities under this section in consultation with the Administration.

(d) The Maryland Environmental Service, the Maryland Economic Development Corporation, and other State economic development units shall cooperate with the Center and may make available to the Center resources and expertise for the evaluation of project financing and coordination of financing between the Center and other economic development units.

1 10–826.

2 (a) On or before October 1 of each year, the Center shall report to the Governor,
3 the Administration, and, in accordance with § 2–1257 of the State Government Article, the
4 General Assembly.

5 (b) The report shall include:

6 (1) a complete operating and financial statement covering the Center’s
7 operations [and];

8 (2) a summary of the Center’s activities during the preceding the fiscal
9 year; AND

10 (3) A SUMMARY OF THE CENTER’S ACTIVITIES SPECIFIC TO CLEAN
11 ENERGY INNOVATION.

12 10–828.

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

14 (c) “Fund” means the Maryland Energy Innovation Fund.

15 (d) “Institute” means the Maryland Energy Innovation Institute.

16 10–829.

17 (a) There is a Maryland Energy Innovation Institute.

18 (d) The purposes of the Institute are to:

19 (1) collaborate with academic institutions in the State to participate in
20 **ADVANCED** clean energy AND **CLEAN ENERGY INNOVATION** programs; and

21 (2) develop and attract private investment in clean energy innovation and
22 commercialization in the State.

23 10–830.

24 (a) (1) There is an Advisory Board of the Institute.

25 (2) The Institute Board advises the University of Maryland on the
26 management of the Institute.

27 (b) The Institute Board consists of the following nine members:

1 (1) the chair of the Board of Directors of the Maryland Clean Energy
2 Center;

3 (2) the Director; and

4 (3) seven members selected by the University of Maryland based on
5 expertise in energy technology commercialization, the **ADVANCED** clean energy industry,
6 **THE CLEAN ENERGY INNOVATION INDUSTRY**, venture capital financing, and energy
7 research.

8 10–834.

9 (A) The Institute may:

10 (1) maintain offices at the University of Maryland, College Park **CAMPUS**;

11 (2) coordinate and promote energy research and education at the
12 University of Maryland, College Park **CAMPUS**, including its relevant energy centers, as
13 well as at other academic institutions;

14 (3) provide energy policy innovation advice to State and federal units;

15 (4) collaborate with other academic institutions, governmental units,
16 foundations, and industrial companies for **ADVANCED** clean energy research and
17 innovation;

18 (5) pursue grants, other funds, and in-kind contributions for **ADVANCED**
19 clean energy research and innovation;

20 (6) provide seed grant funding to academic institution-based
21 entrepreneurs or entities, in order to promote the commercialization of **ADVANCED** clean
22 energy technologies developed wholly or partly by an academic institution, but not
23 duplicate existing seed grants made through the Maryland Technology Development
24 Corporation;

25 (7) work with the Maryland Technology Enterprise Institute to jointly
26 manage, operate, and maintain facilities for [a] **AN ADVANCED** clean energy **AND CLEAN**
27 **ENERGY INNOVATION** incubator at the University of Maryland, College Park **CAMPUS**;

28 (8) work with the Maryland Technology Enterprise Institute to expand
29 Maryland Industrial Partnership Awards to promote the commercialization of **ADVANCED**
30 clean energy **AND CLEAN ENERGY INNOVATION** technologies developed wholly or partly
31 by an academic institution;

(9) work with the Maryland Technology Enterprise Institute and the University of Maryland Office of Technology Commercialization to:

(i) identify **ADVANCED CLEAN** energy **AND CLEAN ENERGY INNOVATION** technologies at academic institutions that may be viable for commercialization; and

(ii) provide grant funding and investment financing to cover patent, facilities, and other costs not allowed under federal or state research grants to an academic institution-based entrepreneur or entity, in order to promote the commercialization of **ADVANCED** clean energy **AND CLEAN ENERGY INNOVATION** technologies developed wholly or partly by an academic institution;

(10) coordinate incubation and potential financing of academic institution-based entrepreneurs or entities with resources provided by the Center;

(11) work closely with State units, industrial partners, nongovernmental organizations, and federal agencies and laboratories to ensure effective implementation and execution of the State's energy mission and vision, in collaboration with the Administration;

(12) undergo periodic reviews every 5 years consistent with University System of Maryland policies; and

(13) do all things necessary or convenient to carry out the powers granted by this part.

(B) THE INSTITUTE SHALL COORDINATE WITH THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION IN SUPPORTING MARYLAND-BASED TECHNOLOGY COMPANIES ENGAGED IN CLEAN ENERGY INNOVATION.

(C) (1) THE INSTITUTE AND THE CENTER SHALL IMPLEMENT AN ACCELERATOR PROGRAM FOR MARYLAND-BASED TECHNOLOGY COMPANIES ENGAGED IN CLEAN ENERGY INNOVATION THAT FEATURES SEED FUNDING, TRAINING, ~~AND~~ DEVELOPMENTAL SUPPORT FOR THE COMPANIES, AND PILOT PROJECTS FOCUSED ON ON-SITE CLEAN ENERGY GENERATION FOR BUILDINGS.

(2) IN CARRYING OUT THEIR RESPONSIBILITIES UNDER THIS SUBSECTION, THE INSTITUTE AND THE CENTER SHALL CONSULT WITH THE DEPARTMENT, THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION, THE ADMINISTRATION, THE DEPARTMENT OF THE ENVIRONMENT, AND THE MARYLAND INDUSTRIAL PARTNERSHIP AWARDS PROGRAM.

1 (a) (1) There is a Maryland Energy Innovation Fund in the University System
2 of Maryland.

3 (2) The Fund shall be used by the Institute and the Center.

4 (b) (1) The Institute:

5 (i) may use the Fund to:

6 1. carry out the purposes of this subtitle, including the
7 purposes listed in § 10–834 of this subtitle;

8 2. purchase advisory services and technical assistance to
9 better support economic development; and

10 3. pay the administrative, legal, and actuarial expenses of
11 the Institute; and

12 (ii) shall use the Fund for the administrative and operating costs of
13 the Center.

14 (2) The Center may use the Fund to:

15 (i) make a grant or a loan under this subtitle, at the rate of interest
16 the Center sets;

17 (ii) provide equity investment financing for a business enterprise
18 under this subtitle; and

19 (iii) guarantee a loan, an equity, an investment, or any other private
20 financing to expand the capital resources of a business enterprise under this subtitle.

21 (c) The Institute shall manage and supervise the Fund.

22 (d) (1) The Fund is a special, nonlapsing revolving fund that is not subject to
23 reversion under § 7–302 of the State Finance and Procurement Article.

24 (2) The State Treasurer shall hold the Fund separately, and the
25 Comptroller shall account for the Fund.

26 (e) The Fund consists of:

27 (1) money appropriated by the State to the Fund;

28 (2) money contributed to the Fund through federal programs or private
29 entities;

1 (3) repayment of principal of a loan made from the Fund;

2 (4) payment of interest on a loan made from the Fund;

3 (5) proceeds from the sale, disposition, lease, or rental by the Center of
4 collateral related to financing that the Center provides from the Fund;

5 (6) premiums, fees, royalties, interest, repayments of principal, and
6 returns on investments paid to the Center by or on behalf of:

7 (i) a business enterprise in which the Center has made an
8 investment from the Fund; or

9 (ii) an investor providing an investment guaranteed by the Center
10 from the Fund;

11 (7) recovery of an investment made by the Center in a business enterprise
12 from the Fund, including an arrangement under which the Center's investment in the
13 business enterprise is recovered through:

14 (i) a requirement that the Fund receive a proportion of cash flow,
15 commission, royalty, or payment on a patent; or

16 (ii) the repurchase from the Center of any evidence of indebtedness
17 or other financial participation made from the Fund, including a note, stock, bond, or
18 debenture;

19 (8) repayment of a conditional grant extended by the Center from the
20 Fund; [and]

21 **(9) MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH §**
22 **9-20B-05 OF THE STATE GOVERNMENT ARTICLE; AND**

23 **[(9)] (10)** any other money made available to the Institute for the Fund.

24 (f) (1) The State Treasurer shall invest the money in the same manner as
25 other State money may be invested.

26 (2) Any interest earnings of the Fund shall be credited to the Fund.

27 (g) Money expended from the Fund under this subtitle is supplemental to and is
28 not intended to take the place of funding that otherwise would be appropriated for the
29 Center, the Institute, or any part of the University System of Maryland.

30 10-839.

(a) On or before October 1 each year, the Institute shall report to the Governor, the Administration, and, in accordance with § 2–1257 of the State Government Article, the General Assembly.

(b) The report shall include:

(1) a complete operating and financial statement covering the Institute’s operations [and];

(2) a summary of the Institute’s activities during the preceding fiscal year;

AND

(3) A SUMMARY OF:

(I) THE ANNUAL INCREASE IN THE NUMBER OF CLEAN ENERGY INNOVATION BUSINESSES IN THE STATE;

(II) FEDERAL FUNDING AWARDED FOR CLEAN ENERGY INNOVATION AND COMMERCIALIZATION IN THE STATE; AND

(III) PRIVATE SECTOR INVESTMENT IN CLEAN ENERGY INNOVATION AND COMMERCIALIZATION IN THE STATE.

Article – State Government

9–20B–05.

(a) There is a Maryland Strategic Energy Investment Fund.

(f) The Administration shall use the Fund:

(10) subject to subsections (f–2) and (f–3) of this section, to invest in pre–apprenticeship, youth apprenticeship, and registered apprenticeship programs to establish career paths in the clean energy industry under § 11–708.1 of the Labor and Employment Article, as follows:

(i) \$1,250,000 for grants to pre–apprenticeship jobs training programs under § 11–708.1(c)(3) of the Labor and Employment Article starting in fiscal year 2021 until all amounts are spent; and

(ii) \$6,000,000 for grants to youth apprenticeship jobs training programs and registered apprenticeship jobs training programs under § 11–708.1(c)(5) of the Labor and Employment Article starting in fiscal year 2021 until all amounts are spent;

(iii) \$750,000 for the recruitment of individuals, including veterans and formerly incarcerated individuals, to the pre–apprenticeship jobs training programs

and the registered apprenticeship jobs training programs under § 11–708.1 of the Labor and Employment Article starting in fiscal year 2021 until all amounts are spent; [and]

(11) SUBJECT TO SUBSECTION (F–4) OF THIS SECTION, TO PROVIDE AT LEAST \$2,100,000 IN FUNDING EACH FISCAL YEAR TO THE MARYLAND ENERGY INNOVATION FUND ESTABLISHED UNDER § 10–835 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND

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

(F–4) OF THE FUNDS TRANSFERRED TO THE MARYLAND ENERGY INNOVATION FUND UNDER SUBSECTION (F)(11) OF THIS SECTION:

(1) AT LEAST \$1,200,000 MAY BE USED TO FUND THE MARYLAND CLEAN ENERGY CENTER ESTABLISHED UNDER § 10–806 OF THE ECONOMIC DEVELOPMENT ARTICLE; AND

(2) AT LEAST \$900,000 MAY BE USED TO FUND THE MARYLAND ENERGY INNOVATION INSTITUTE ESTABLISHED UNDER § 10–829 OF THE ECONOMIC DEVELOPMENT ARTICLE.

SECTION 3. AND BE IT FURTHER ENACTED, That, to implement the reduction in the number of representatives of the nonprofit clean energy research sector serving as members of the Board of Directors of the Maryland Clean Energy Center from two to one as provided in § 10–807(b) of the Economic Development Article, as enacted by Section 2 of this Act, the position of the member representing the nonprofit clean energy research sector whose term expires in June 2022 shall be eliminated on the effective date of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That, for fiscal year 2022 only, the funding provided to the Maryland Energy Innovation Fund from the Maryland Strategic Energy Investment Fund under § 9–20B–05(f)(11) and (f–4) of the State Government Article, as enacted by this Act, shall be reduced proportionally by the amount of any actual transfers made to the Maryland Energy Innovation Fund from the Maryland Strategic Energy Investment Fund under Chapters 364 and 365 of the Acts of the General Assembly of 2017 for fiscal year 2022.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2021.