SENATE BILL 900

C8 3lr2940
CF HB 911

By: **Senator Feldman**
Introduced and read first time: February 15, 2023
Assigned to: Rules

A BILL ENTITLED

AN ACT concerning

Maryland Clean Energy Center – Climate Technology Founder's Fund – Establishment

FOR the purpose of establishing the Climate Technology Founder's Fund in the Maryland Clean Energy Center; requiring interest earnings of the Fund to be credited to the Fund; and generally relating to the Climate Technology Founder's Fund within the Maryland Clean Energy Center.

BY renumbering
Article – Economic Development
Section 10–858 and the part "Part VI. Short Title"
to be Section 10–862 and the part "Part VII. Short Title"
Annotated Code of Maryland
(2018 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, without amendments,
Article – Economic Development
Section 10–801(a), (d), and (f)
Annotated Code of Maryland
(2018 Replacement Volume and 2022 Supplement)

BY adding to
Article – Economic Development
Section 10–858 and 10–859 to be under the new part "Part VI. Climate Technology Founder's Fund"
Annotated Code of Maryland
(2018 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, without amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(i)

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

Annotated Code of Maryland
(2021 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)170. and 171.
Annotated Code of Maryland
(2021 Replacement Volume and 2022 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)172.
Annotated Code of Maryland
(2021 Replacement Volume and 2022 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 10–858 and the part “Part VI. Short Title” of Article – Economic Development of the Annotated Code of Maryland be renumbered to be Section(s) 10–862 and the part “Part VII. Short Title”.

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.

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

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

PART VI. CLIMATE TECHNOLOGY FOUNDER’S FUND.

10–858.

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

(B) “CLIMATE TECHNOLOGY” INCLUDES:

(1) SOLAR ENERGY;

(2) WIND ENERGY;

(3) ENERGY STORAGE DEVICES;

(4) GRID MODERNIZATION;

(5) CARBON CAPTURE UTILIZATION AND STORAGE; AND

(6) ANY OTHER TECHNOLOGY DEFINED BY THE CENTER THAT:

(I) REDUCES GREENHOUSE GAS EMISSIONS;

(II) MITIGATES THE IMPACTS OF CLIMATE CHANGE; OR

(III) PROVIDES A NEGATIVE EMISSION BENEFIT IN THE ELECTRIC, OIL, OR GAS SECTOR.

(C) "FUND" MEANS THE CLIMATE TECHNOLOGY FOUNDER'S FUND.

(D) "QUALIFIED PROJECT" MEANS A PROJECT RELATED TO CLIMATE TECHNOLOGY.

10–859.

(A) THERE IS A CLIMATE TECHNOLOGY FOUNDER'S FUND.

(B) THE PURPOSE OF THE FUND IS TO PROVIDE EARLY–STAGE FUNDING FOR START–UP COMPANIES FOCUSED ON QUALIFIED PROJECTS IN CLIMATE TECHNOLOGIES.

(C) (1) THE CENTER SHALL ADMINISTER THE FUND.

(2) THE CENTER SHALL ESTABLISH A FUND OVERSIGHT COMMITTEE, APPOINTED BY THE BOARD, TO MANAGE THE FUND.

(D) THE FUND CONSISTS OF:

(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(2) MONEY MADE AVAILABLE TO THE FUND THROUGH PRIVATE CONTRIBUTIONS AND FEDERAL GRANTS OR PROGRAMS;

(3) PROCEEDS FROM THE SALE, DISPOSITION, LEASE, OR RENTAL OF COLLATERAL RELATED TO FINANCING MADE FROM THE FUND;

(4) REPAYMENT OF FINANCING MADE FROM THE FUND;

(5) RETURNS FROM OR RECOVERY OF ANY FINANCING MADE FROM THE FUND;

(6) PROCEEDS FROM THE SALE OF ANY FINANCING MADE OR ASSETS ACQUIRED WITH PROCEEDS FROM THE FUND;

(7) INTEREST EARNINGS ON MONEY IN THE FUND; AND

(8) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(E) (1) THE FUND MAY BE USED ONLY TO:

(I) EVALUATE AND COORDINATE FINANCING FOR QUALIFIED PROJECTS RELATED TO THE PURPOSE OF THE FUND;

(II) PROVIDE FINANCING TO QUALIFIED PROJECTS;

(III) SECURE PRIVATE INVESTMENT CAPITAL FOR FINANCING OF QUALIFIED PROJECTS; AND

(IV) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ADMINISTER THE FUND AND THE ACTIVITIES OF THE CENTER IN CARRYING OUT THIS PART.

(2) NOT MORE THAN 10% OF THE FUND BALANCE MAY BE USED FOR ADMINISTRATIVE PURPOSES.

(F) (1) EXPENDITURES FROM THE FUND MAY BE MADE ONLY WITH APPROVAL OF THE FUND OVERSIGHT COMMITTEE.

(2) A RECIPIENT OF FINANCIAL ASSISTANCE UNDER THIS SECTION SHALL PROVIDE MATCHING FUNDS FOR THE QUALIFIED PROJECT EQUAL TO THE AMOUNT OF FINANCIAL ASSISTANCE AWARDED FROM THE FUND.

(G) ON OR BEFORE OCTOBER 1 EACH YEAR, THE CENTER SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE USE OF THE FUND AND OUTCOMES OF INVESTMENTS MADE FROM THE FUND.

(H) FOR FISCAL YEAR 2025, THE GOVERNOR SHALL INCLUDE IN THE

ANNUAL BUDGET BILL AN APPROPRIATION OF $500,000 TO THE FUND.

10–860. RESERVED.

10–861. RESERVED.

Article – State Finance and Procurement

6–226.

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

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

170. the Cannabis Public Health Fund; **[**and**]**

171. the Community Reinvestment and Repair Fund**; AND**

172. THE CLIMATE TECHNOLOGY FOUNDER'S FUND.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023.