

SENATE BILL 149

M3, M1, C2
SB 958/24 – EEE & FIN

(PRE-FILED)

5lr1522
CF HB 128

By: **Senator Hester**

Requested: October 30, 2024

Introduced and read first time: January 8, 2025

Assigned to: Education, Energy, and the Environment and Finance

Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: February 27, 2025

CHAPTER _____

1 AN ACT concerning

2 ~~Responding to Emergency Needs From Extreme Weather (RENEW) Act of 2025~~
3 Climate Change Adaptation and Mitigation – Total Assessed Cost of Greenhouse
4 Gas Emissions – Study and Reports

5 FOR the purpose of ~~establishing the Climate Change Adaptation and Mitigation Payment~~
6 ~~Program in the Department of the Environment to secure payments from certain~~
7 ~~businesses that extract fossil fuels or refine petroleum products in order to provide~~
8 ~~a source of revenue for State efforts to adapt to or mitigate the effects of climate~~
9 ~~change and to address the health impacts of climate change on vulnerable~~
10 ~~populations; establishing the Climate Change Adaptation and Mitigation Fund as a~~
11 ~~special, nonlapsing fund; authorizing the Legislative Auditor to conduct certain~~
12 ~~audits of the Fund and of the appropriations and expenditures made for the purposes~~
13 ~~of the Climate Change Adaptation and Mitigation Payment Program; requiring the~~
14 ~~University of Maryland Center for Global Sustainability Comptroller, in~~
15 ~~coordination with the Department of the Environment and the Department of~~
16 ~~Commerce, to conduct a study to assess the total cost of greenhouse gas emissions in~~
17 ~~the State and report certain findings on or before a certain date; requiring the~~
18 ~~Department of the Environment and the Comptroller to report to certain committees~~
19 ~~on or before a certain date;~~ date on the total assessed cost of greenhouse gas
20 emissions in the State based on the findings of a certain study; authorizing the
21 Comptroller to hire a consultant to conduct the study; requiring the reports report to
22 include certain information and calculations; and generally relating to the Climate
23 Change Adaptation and Mitigation Payment Program greenhouse gas emissions in
24 the State.

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.



~~BY repealing and reenacting, without amendments,
Article — Environment
Section 2-1504(a)
Annotated Code of Maryland
(2013 Replacement Volume and 2024 Supplement)~~

~~BY repealing and reenacting, with amendments,
Article — Environment
Section 2-1504(e)
Annotated Code of Maryland
(2013 Replacement Volume and 2024 Supplement)~~

~~BY adding to
Article — Environment
Section 2-1701 through 2-1708 to be under the new subtitle “Subtitle 17. Climate
Change Adaptation and Mitigation Payment Program”
Annotated Code of Maryland
(2013 Replacement Volume and 2024 Supplement)~~

~~BY repealing and reenacting, without amendments,
Article — Natural Resources
Section 5-222(a) and (b) and 8-2B-03(a)
Annotated Code of Maryland
(2023 Replacement Volume and 2024 Supplement)~~

~~BY repealing and reenacting, with amendments,
Article — Natural Resources
Section 5-222(f) and 8-2B-03(e)
Annotated Code of Maryland
(2023 Replacement Volume and 2024 Supplement)~~

~~BY repealing and reenacting, without amendments,
Article — Public Safety
Section 14-110.4(b) and 14-110.5(b)
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)~~

~~BY repealing and reenacting, with amendments,
Article — Public Safety
Section 14-110.4(h) and 14-110.5(f)
Annotated Code of Maryland
(2022 Replacement Volume and 2024 Supplement)~~

~~BY repealing and reenacting, without amendments,
Article — State Government
Section 9-2012(b) and (i)(1), 9-2015(b), and 9-20B-05(a)~~

~~Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)~~

~~BY repealing and reenacting, with amendments,
Article — State Government
Section 9-2012(i)(4), 9-2015(f), and 9-20B-05(e)
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)~~

~~BY adding to
Article — State Government
Section 9-20B-05(i-2)
Annotated Code of Maryland
(2021 Replacement Volume and 2024 Supplement)~~

~~BY repealing and reenacting, without amendments,
Article — Transportation
Section 7-1202(a) and 7-1203(a)
Annotated Code of Maryland
(2020 Replacement Volume and 2024 Supplement)~~

~~BY repealing and reenacting, with amendments,
Article — Transportation
Section 7-1203(e)
Annotated Code of Maryland
(2020 Replacement Volume and 2024 Supplement)~~

Preamble

WHEREAS, Climate change, resulting primarily from the combustion of fossil fuels, is an immediate, grave threat to the State's communities, environment, and economy; and

WHEREAS, In addition to mitigating the further buildup of greenhouse gases, the State must take action to adapt to certain consequences of climate change that are irreversible, including rising sea levels, increasing temperatures, extreme weather events, flooding, heat waves, toxic algae blooms, and other threats; and

WHEREAS, Meeting the challenge of adapting to and mitigating the effects of climate change will require a shared commitment of purpose and huge investments in new or upgraded infrastructure; and

WHEREAS, The State has previously adopted programs, such as the Cigarette Restitution Fund Program, to require industries that have profited by harming the public welfare to shoulder their share of the burden in redressing that harm; and

WHEREAS, Based on decades of research, it is now possible to determine with great accuracy the share of greenhouse gases released into the atmosphere by specific fossil fuel

companies over the last 70 years or more, making it possible to assign liability and require compensation from companies commensurate with their emissions during a given time period; now, therefore,

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

~~Article—Environment~~

~~2-1504.~~

~~(a) There is a Zero Emission Vehicle School Bus Transition Fund.~~

~~(e) The Fund consists of:~~

~~(1) Money appropriated in the State budget to the Fund;~~

~~(2) Interest earnings of the Fund;~~

~~(3) Donations;~~

~~(4) Money derived from legal settlements earmarked for the purpose of transitioning to school buses that are zero emission vehicles; [and]~~

~~(5) MONEY RECEIVED FROM THE CLIMATE CHANGE ADAPTATION AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THIS TITLE; AND~~

~~(6) Any other money from any other source accepted for the benefit of the Fund.~~

~~SUBTITLE 17. CLIMATE CHANGE ADAPTATION AND MITIGATION PAYMENT PROGRAM.~~

~~2-1701.~~

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

~~(B) (1) “CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECT” MEANS AN INFRASTRUCTURE PROJECT DESIGNED TO AVOID, MODERATE, OR REPAIR DAMAGE CAUSED BY CLIMATE CHANGE.~~

~~(2) “CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECT” INCLUDES PROJECTS TO:~~

~~(I) CONSTRUCT SEAWALLS OR OTHER COASTAL DEFENSE STRUCTURES;~~

~~(II) UPGRADE STORMWATER OR SEWER SYSTEMS;~~

~~(III) MAKE DEFENSIVE UPGRADES TO ROADS, BRIDGES, RAIL INFRASTRUCTURE, OR OTHER TRANSIT SYSTEMS;~~

~~(IV) PREPARE FOR AND RECOVER FROM HURRICANES AND OTHER EXTREME WEATHER EVENTS;~~

~~(V) RELOCATE, ELEVATE, OR RETROFIT WASTEWATER TREATMENT PLANTS THAT ARE VULNERABLE TO FLOODING;~~

~~(VI) INSTALL HEAT PUMPS AND OTHER CLEAN ENERGY RETROFITS IN PUBLIC AND PRIVATE BUILDINGS, INCLUDING SCHOOL BUILDINGS; AND~~

~~(VII) RESPOND TO TOXIC ALGAE BLOOMS, THE LOSS OF AGRICULTURAL TOPSOIL, AND OTHER CLIMATE-DRIVEN ECOSYSTEM THREATS TO FORESTS, FARMS, AND FISHERIES.~~

~~(C) "COAL" INCLUDES:~~

~~(1) BITUMINOUS COAL;~~

~~(2) ANTHRACITE COAL; AND~~

~~(3) LIGNITE.~~

~~(D) "COMMUNITY DISPROPORTIONATELY AFFECTED BY CLIMATE IMPACTS" MEANS A COMMUNITY IDENTIFIED IN ACCORDANCE WITH § 1-702 OF THIS ARTICLE.~~

~~(E) "CONTROLLED GROUP" MEANS TWO OR MORE ENTITIES TREATED AS A SINGLE EMPLOYER UNDER:~~

~~(1) § 52(A) OR (B) OF THE INTERNAL REVENUE CODE, WITHOUT REGARD TO § 1563(B)(2)(C) OF THE INTERNAL REVENUE CODE; OR~~

~~(2) § 414(M) OR (O) OF THE INTERNAL REVENUE CODE.~~

~~(F) "COST RECOVERY DEMAND" MEANS A CHARGE ASSERTED AGAINST A RESPONSIBLE PARTY FOR COST RECOVERY PAYMENTS UNDER THE PROGRAM.~~

~~(G) "COVERED GREENHOUSE GAS EMISSIONS" MEANS THE TOTAL QUANTITY OF GREENHOUSE GASES RELEASED INTO THE ATMOSPHERE DURING THE COVERED PERIOD, EXPRESSED IN METRIC TONS OF CARBON DIOXIDE EQUIVALENT, RESULTING FROM THE USE OF FOSSIL FUELS OR PETROLEUM PRODUCTS EXTRACTED, PRODUCED, REFINED, OR SOLD BY AN ENTITY.~~

~~(H) "COVERED PERIOD" MEANS MARCH 21, 1994, THROUGH DECEMBER 31, 2023, BOTH INCLUSIVE.~~

~~(I) (1) "CRUDE OIL" MEANS OIL OR PETROLEUM OF ANY KIND AND IN ANY FORM.~~

~~(2) "CRUDE OIL" INCLUDES:~~

~~(I) BITUMEN;~~

~~(II) OIL SANDS;~~

~~(III) HEAVY OIL;~~

~~(IV) CONVENTIONAL AND UNCONVENTIONAL OIL;~~

~~(V) SHALE OIL;~~

~~(VI) NATURAL GAS LIQUIDS;~~

~~(VII) CONDENSATES; AND~~

~~(VIII) RELATED FOSSIL FUELS.~~

~~(J) "ENTITY" MEANS ANY INDIVIDUAL, TRUSTEE, AGENT, PARTNERSHIP, ASSOCIATION, CORPORATION, COMPANY, MUNICIPAL CORPORATION, POLITICAL SUBDIVISION, OR OTHER PERSON, INCLUDING A FOREIGN NATION, THAT HOLDS OR HELD AN OWNERSHIP INTEREST IN A FOSSIL FUEL BUSINESS DURING THE COVERED PERIOD.~~

~~(K) "FOSSIL FUEL" MEANS COAL, PETROLEUM PRODUCTS, AND FUEL GASES.~~

~~(L) "FOSSIL FUEL BUSINESS" MEANS A BUSINESS ENGAGING IN THE EXTRACTION OF FOSSIL FUELS OR THE REFINING OF PETROLEUM PRODUCTS.~~

~~(M) "FUEL GAS" INCLUDES:~~

~~(1) METHANE;~~

~~(2) NATURAL GAS;~~

~~(3) LIQUEFIED NATURAL GAS; AND~~

~~(4) MANUFACTURED FUEL GASES.~~

~~(N) "FUND" MEANS THE CLIMATE CHANGE ADAPTATION AND MITIGATION FUND ESTABLISHED UNDER § 2-1705 OF THIS SUBTITLE.~~

~~(O) "GREENHOUSE GAS" HAS THE MEANING STATED IN § 2-1202 OF THIS TITLE.~~

~~(P) "NOTICE OF COST RECOVERY DEMAND" MEANS A WRITTEN COMMUNICATION INFORMING A RESPONSIBLE PARTY OF THE AMOUNT OF THE COST RECOVERY DEMAND PAYABLE TO THE DEPARTMENT UNDER THIS SUBTITLE.~~

~~(Q) "PETROLEUM PRODUCT" MEANS ANY PRODUCT REFINED OR RE-REFINED FROM:~~

~~(1) SYNTHETIC OR CRUDE OIL; OR~~

~~(2) CRUDE OIL EXTRACTED FROM NATURAL GAS LIQUIDS OR OTHER SOURCES.~~

~~(R) "PROGRAM" MEANS THE CLIMATE CHANGE ADAPTATION AND MITIGATION PAYMENT PROGRAM ESTABLISHED UNDER § 2-1703 OF THIS SUBTITLE.~~

~~(S) (1) "QUALIFYING EXPENDITURE" MEANS AN AUTHORIZED PAYMENT FROM THE FUND IN SUPPORT OF A CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECT.~~

~~(2) "QUALIFYING EXPENDITURE" INCLUDES, TO THE EXTENT AUTHORIZED IN DEPARTMENT REGULATIONS, A PAYMENT TOWARD THE OPERATION AND MAINTENANCE OF A CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECT.~~

~~(T) (1) "RESPONSIBLE PARTY" MEANS AN ENTITY, OR A SUCCESSOR IN INTEREST TO AN ENTITY, THAT:~~

~~(i) DURING ANY PART OF THE COVERED PERIOD, WAS ENGAGED IN THE TRADE OR BUSINESS OF EXTRACTING FOSSIL FUEL OR REFINING CRUDE OIL; AND~~

~~(H) IS DETERMINED BY THE DEPARTMENT TO BE RESPONSIBLE FOR MORE THAN 1,000,000,000 TONS OF COVERED GREENHOUSE GAS EMISSIONS.~~

~~(2) "RESPONSIBLE PARTY" DOES NOT INCLUDE ANY PERSON THAT LACKS SUFFICIENT CONNECTION WITH THE STATE TO SATISFY THE NEXUS REQUIREMENTS OF THE UNITED STATES CONSTITUTION.~~

~~(U) "TOTAL ASSESSED COST OF GREENHOUSE GAS EMISSIONS" MEANS THE TOTAL ASSESSED COST TO THE STATE AND ITS RESIDENTS OF COVERED GREENHOUSE GAS EMISSIONS DURING THE COVERED PERIOD, AS DETERMINED BY THE STATE TREASURER IN ACCORDANCE WITH § 2-1704(C) OF THIS SUBTITLE.~~

~~2-1702.~~

~~(A) THIS SUBTITLE MAY NOT BE CONSTRUED TO:~~

~~(1) RELIEVE THE LIABILITY OF AN ENTITY FOR DAMAGES RESULTING FROM CLIMATE CHANGE, AS PROVIDED BY LAW;~~

~~(2) PREEMPT, DISPLACE, OR RESTRICT ANY RIGHT OR REMEDY OF A PERSON OR UNIT OF STATE OR LOCAL GOVERNMENT UNDER THE LAW RELATING TO A PAST, PRESENT, OR FUTURE ALLEGATION OF:~~

~~(I) DECEPTION CONCERNING THE EFFECTS OF FOSSIL FUELS ON CLIMATE CHANGE;~~

~~(II) DAMAGE OR INJURY RESULTING FROM THE ROLE OF FOSSIL FUELS IN CONTRIBUTING TO CLIMATE CHANGE; OR~~

~~(III) FAILURE TO AVOID DAMAGE OR INJURY RELATING TO CLIMATE CHANGE, INCLUDING CLAIMS FOR:~~

~~1. NUISANCE;~~

~~2. TRESPASS;~~

~~3. DESIGN DEFECT;~~

~~4. NEGLIGENCE;~~

~~5. FAILURE TO WARN;~~

~~6. DECEPTIVE OR UNFAIR PRACTICES; OR~~

~~7. INJUNCTIVE, DECLARATORY, MONETARY, OR OTHER
FORM OF RELIEF; OR~~

~~(3) PREEMPT, SUPERSEDE, OR DISPLACE ANY STATE OR LOCAL LAW,
REGULATION, POLICY, OR PROGRAM THAT:~~

~~(I) LIMITS, SETS, OR ENFORCES STANDARDS FOR
GREENHOUSE GAS EMISSIONS;~~

~~(II) MONITORS, REPORTS, OR KEEPS RECORDS OF
GREENHOUSE GAS EMISSIONS;~~

~~(III) COLLECTS REVENUE THROUGH FEES OR TAXES; OR~~

~~(IV) CONDUCTS OR SUPPORTS INVESTIGATIONS.~~

~~(B) (1) EVERY CASE FILED IN A COURT OF THE STATE UNDER STATE LAW
MAY NOT BE EXPRESSLY OR IMPLIEDLY PREEMPTED, DISPLACED, MOOTED, OR
DISMISSED ON ANY OTHER PRUDENTIAL CONSIDERATION ARISING FROM THIS
SUBTITLE.~~

~~(2) TO THE EXTENT THAT ANY ASPECT OF EVERY CASE FILED IN A
COURT OF THE STATE IS REVIEWED FOR THE APPLICATION OF THIS SUBTITLE, THE
APPLICATION OF THIS SUBTITLE IS SEVERABLE IN EACH OF ITS APPLICATIONS TO
EVERY PERSON AND CIRCUMSTANCE.~~

~~2-1703.~~

~~(A) THERE IS A CLIMATE CHANGE ADAPTATION AND MITIGATION
PAYMENT PROGRAM IN THE DEPARTMENT.~~

~~(B) THE PURPOSE OF THE PROGRAM IS TO:~~

~~(1) SECURE COMPENSATORY PAYMENTS FROM FOSSIL FUEL
BUSINESSES BASED ON A STANDARD OF STRICT LIABILITY IN ORDER TO PROVIDE A
SOURCE OF REVENUE FOR STATE EFFORTS TO:~~

~~(I) ADAPT TO AND MITIGATE THE EFFECTS OF CLIMATE
CHANGE, INCLUDING THROUGH THE IMPLEMENTATION OF CLIMATE CHANGE
ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECTS; AND~~

~~(II) ADDRESS THE HEALTH IMPACTS OF CLIMATE CHANGE ON
VULNERABLE POPULATIONS;~~

~~(2) DETERMINE THE PROPORTIONAL LIABILITY OF RESPONSIBLE PARTIES IN ACCORDANCE WITH § 2-1704 OF THIS SUBTITLE;~~

~~(3) IMPOSE COST RECOVERY DEMANDS ON RESPONSIBLE PARTIES AND ISSUE NOTICES OF COST RECOVERY DEMANDS;~~

~~(4) ACCEPT AND COLLECT COST RECOVERY PAYMENTS FROM RESPONSIBLE PARTIES;~~

~~(5) IDENTIFY CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECTS WITHIN THE STATE;~~

~~(6) DISBURSE FUNDS IN ACCORDANCE WITH THIS SUBTITLE; AND~~

~~(7) ENSURE THAT AT LEAST 40% OF THE QUALIFIED EXPENDITURES FROM THE PROGRAM GO TO CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECTS THAT DIRECTLY BENEFIT COMMUNITIES DISPROPORTIONATELY AFFECTED BY CLIMATE IMPACTS.~~

~~2-1704.~~

~~(A) THE STATE MAY IMPOSE COST RECOVERY DEMANDS ON A RESPONSIBLE PARTY IF, AT ANY TIME DURING THE COVERED PERIOD, THE RESPONSIBLE PARTY:~~

~~(1) DID BUSINESS IN THE STATE;~~

~~(2) WAS REGISTERED TO DO BUSINESS IN THE STATE;~~

~~(3) WAS APPOINTED AS AN AGENT OF THE STATE; OR~~

~~(4) OTHERWISE HAD SUFFICIENT CONTACTS WITH THE STATE TO GIVE THE STATE JURISDICTION OVER THE RESPONSIBLE PARTY IN ACCORDANCE WITH STATE LAW.~~

~~(B) (1) A RESPONSIBLE PARTY IS STRICTLY LIABLE, WITHOUT REGARD TO FAULT, FOR A SHARE OF THE COSTS OF CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECTS, INCLUDING OPERATING AND MAINTENANCE COSTS, SUPPORTED BY THE FUND.~~

~~(2) FOR PURPOSES OF THIS SECTION, ENTITIES IN A CONTROLLED GROUP:~~

~~(i) SHALL BE TREATED BY THE DEPARTMENT AS A SINGLE ENTITY FOR THE PURPOSE OF IDENTIFYING RESPONSIBLE PARTIES; AND~~

~~(H) ARE JOINTLY AND SEVERALLY LIABLE FOR PAYMENT OF ANY COST RECOVERY DEMAND OWED BY ANY ENTITY IN THE CONTROLLED GROUP.~~

~~(C) (1) WITH RESPECT TO EACH RESPONSIBLE PARTY, THE COST RECOVERY DEMAND SHALL BE EQUAL TO AN AMOUNT THAT BEARS THE SAME RATIO TO THE TOTAL ASSESSED COST OF GREENHOUSE GAS EMISSIONS AS THE RESPONSIBLE PARTY'S APPLICABLE SHARE OF COVERED GREENHOUSE GAS EMISSIONS BEARS TO THE AGGREGATE APPLICABLE SHARES OF ALL RESPONSIBLE PARTIES' COVERED GREENHOUSE GAS EMISSIONS.~~

~~(2) (I) ON OR BEFORE DECEMBER 1, 2026, THE STATE TREASURER, IN CONSULTATION WITH THE COMPTROLLER, THE DEPARTMENT, AND ANY OTHER ENTITY AS DETERMINED BY THE STATE TREASURER, SHALL REPORT TO THE SENATE BUDGET AND TAXATION COMMITTEE, THE SENATE EDUCATION, ENERGY, AND ENVIRONMENT COMMITTEE, THE SENATE JUDICIAL PROCEEDINGS COMMITTEE, THE HOUSE APPROPRIATIONS COMMITTEE, THE HOUSE ENVIRONMENT AND TRANSPORTATION COMMITTEE, AND THE HOUSE JUDICIARY COMMITTEE, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE TOTAL ASSESSED COST OF GREENHOUSE GAS EMISSIONS.~~

~~(H) THE REPORT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL INCLUDE:~~

~~1. A SUMMARY OF THE VARIOUS COST DRIVING EFFECTS OF COVERED GREENHOUSE GAS EMISSIONS ON THE STATE, INCLUDING EFFECTS ON PUBLIC HEALTH, NATURAL RESOURCES, BIODIVERSITY, AGRICULTURE, ECONOMIC DEVELOPMENT, FLOOD PREPAREDNESS AND SAFETY, AND HOUSING, AND ANY OTHER EFFECT THAT THE STATE TREASURER, IN CONSULTATION WITH THE COMPTROLLER AND THE DEPARTMENT, DETERMINES TO BE RELEVANT;~~

~~2. A CATEGORIZED CALCULATION OF THE COSTS THAT HAVE BEEN INCURRED AND COSTS THAT ARE PROJECTED TO BE INCURRED BY THE STATE AND ITS RESIDENTS FOR EACH EFFECT IDENTIFIED UNDER ITEM 1 OF THIS SUBPARAGRAPH; AND~~

~~3. A CATEGORIZED CALCULATION OF THE COSTS THAT HAVE BEEN INCURRED AND COSTS THAT ARE PROJECTED TO BE INCURRED BY THE STATE AND ITS RESIDENTS TO MITIGATE THE EFFECTS OF COVERED GREENHOUSE GAS EMISSIONS DURING THE COVERED PERIOD.~~

~~(D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A RESPONSIBLE PARTY'S APPLICABLE SHARE OF GREENHOUSE GAS EMISSIONS SHALL~~

~~BE THE AMOUNT BY WHICH THE COVERED GREENHOUSE GAS EMISSIONS
ATTRIBUTABLE TO THE RESPONSIBLE PARTY EXCEEDS 1,000,000,000 METRIC TONS.~~

~~(2) IF A RESPONSIBLE PARTY OWNS A MINORITY INTEREST OF 10% OR
MORE IN ANOTHER ENTITY, THE RESPONSIBLE PARTY'S APPLICABLE SHARE OF
GREENHOUSE GAS EMISSIONS SHALL BE CALCULATED AS THE APPLICABLE SHARE
OF GREENHOUSE GAS EMISSIONS FOR THE ENTITY IN WHICH THE RESPONSIBLE
PARTY HOLDS A MINORITY INTEREST, AS CALCULATED UNDER PARAGRAPH (1) OF
THIS SUBSECTION, MULTIPLIED BY THE PERCENTAGE OF THE MINORITY INTEREST
HELD BY THE RESPONSIBLE PARTY.~~

~~(3) IN DETERMINING THE AMOUNT OF GREENHOUSE GAS EMISSIONS
ATTRIBUTABLE TO AN ENTITY, THE DEPARTMENT SHALL ASSUME THAT:~~

~~(I) 942.5 METRIC TONS OF CARBON DIOXIDE EQUIVALENT IS
RELEASED FOR EVERY 1,000,000 POUNDS OF COAL ATTRIBUTABLE TO THE ENTITY;~~

~~(II) 432,180 METRIC TONS OF CARBON DIOXIDE EQUIVALENT IS
RELEASED FOR EVERY 1,000,000 BARRELS OF CRUDE OIL ATTRIBUTABLE TO THE
ENTITY; AND~~

~~(III) 53,440 METRIC TONS OF CARBON DIOXIDE EQUIVALENT IS
RELEASED FOR EVERY 1,000,000 CUBIC FEET OF FUEL GASES ATTRIBUTABLE TO
THE ENTITY.~~

~~(E) THE DEPARTMENT MAY ADJUST THE COST RECOVERY DEMAND
AMOUNT OF A RESPONSIBLE PARTY THAT REFINES PETROLEUM PRODUCTS OR THAT
IS A SUCCESSOR IN INTEREST TO AN ENTITY THAT REFINES PETROLEUM PRODUCTS,
IF THE RESPONSIBLE PARTY ESTABLISHES TO THE SATISFACTION OF THE
DEPARTMENT THAT:~~

~~(1) A PORTION OF THE COST RECOVERY DEMAND AMOUNT WAS
ATTRIBUTABLE TO THE REFINING OF CRUDE OIL EXTRACTED BY ANOTHER ENTITY;
AND~~

~~(2) THE CRUDE OIL EXTRACTED BY THE OTHER ENTITY WAS
ACCOUNTED FOR WHEN THE DEPARTMENT DETERMINED THE COST RECOVERY
DEMAND AMOUNT FOR THE OTHER ENTITY OR A SUCCESSOR IN INTEREST OF THE
OTHER ENTITY.~~

~~(F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A
RESPONSIBLE PARTY SHALL PAY THE COST RECOVERY DEMAND AMOUNT IN FULL
ON OR BEFORE OCTOBER 1, 2027.~~

~~(2) (I) A RESPONSIBLE PARTY MAY ELECT TO PAY THE COST RECOVERY DEMAND AMOUNT IN NINE ANNUAL INSTALLMENTS IN ACCORDANCE WITH THIS PARAGRAPH.~~

~~(II) THE FIRST INSTALLMENT SHALL BE PAID ON OR BEFORE OCTOBER 1, 2027, AND SHALL BE EQUAL TO 20% OF THE TOTAL COST RECOVERY DEMAND AMOUNT.~~

~~(III) EACH SUBSEQUENT INSTALLMENT SHALL BE PAID ON OR BEFORE SEPTEMBER 30 EACH SUBSEQUENT YEAR AND SHALL BE EQUAL TO 10% OF THE TOTAL COST RECOVERY DEMAND AMOUNT.~~

~~(IV) 1. THE UNPAID BALANCE OF ALL REMAINING INSTALLMENTS SHALL BECOME DUE IMMEDIATELY IF:~~

~~A. THE RESPONSIBLE PARTY FAILS TO PAY ANY INSTALLMENT IN A TIMELY MANNER, AS SPECIFIED IN DEPARTMENT REGULATIONS;~~

~~B. EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THERE IS A LIQUIDATION OR SALE OF SUBSTANTIALLY ALL THE ASSETS OF THE RESPONSIBLE PARTY, INCLUDING IN A BANKRUPTCY PROCEEDING; OR~~

~~C. THE RESPONSIBLE PARTY CEASES TO DO BUSINESS.~~

~~2. IN THE CASE OF A SALE OF SUBSTANTIALLY ALL THE ASSETS OF A RESPONSIBLE PARTY, THE REMAINING INSTALLMENTS SHALL NOT BECOME DUE IMMEDIATELY IF THE BUYER ENTERS INTO AN AGREEMENT WITH THE DEPARTMENT UNDER WHICH THE BUYER ASSUMES LIABILITY FOR THE REMAINING INSTALLMENTS DUE UNDER THIS SUBPARAGRAPH IN THE SAME MANNER AS IF THE BUYER WERE THE RESPONSIBLE PARTY.~~

~~(G) THE DEPARTMENT SHALL DEPOSIT COST RECOVERY PAYMENTS COLLECTED UNDER THIS SECTION TO THE CLIMATE CHANGE ADAPTATION AND MITIGATION FUND ESTABLISHED UNDER § 2-1705 OF THIS SUBTITLE.~~

~~(H) A RESPONSIBLE PARTY MAY REQUEST A HEARING UNDER TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE (ADMINISTRATIVE PROCEDURE ACT - CONTESTED CASES) TO CONTEST A COST RECOVERY DEMAND MADE BY THE DEPARTMENT UNDER THIS SECTION.~~

~~(I) (1) THE REMEDIES PROVIDED IN THIS SECTION ARE IN ADDITION TO ANY OTHER REMEDY PROVIDED BY LAW.~~

~~(2) THIS SECTION MAY NOT BE CONSTRUED TO PREVENT A PERSON FROM PURSUING A CIVIL ACTION OR ANY OTHER REMEDY PROVIDED BY LAW.~~

~~2-1705.~~

~~(A) THERE IS A CLIMATE CHANGE ADAPTATION AND MITIGATION FUND.~~

~~(B) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING FOR STATE EFFORTS TO ADAPT TO AND MITIGATE THE EFFECTS OF CLIMATE CHANGE.~~

~~(C) THE DEPARTMENT SHALL ADMINISTER THE FUND.~~

~~(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

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

~~(E) THE FUND CONSISTS OF:~~

~~(1) COST RECOVERY PAYMENTS DISTRIBUTED TO THE FUND UNDER § 2-1704 OF THIS SUBTITLE;~~

~~(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;~~
~~AND~~

~~(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.~~

~~(F) THE FUND MAY BE USED ONLY:~~

~~(1) TO PAY:~~

~~(i) QUALIFIED EXPENDITURES FOR CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECTS IDENTIFIED BY THE DEPARTMENT IN ACCORDANCE WITH REGULATIONS ADOPTED UNDER § 2-1707 OF THIS SUBTITLE; AND~~

~~(ii) REASONABLE ADMINISTRATIVE COSTS OF THE PROGRAM;~~

~~(2) TO PROVIDE GRANTS TO LOCAL JURISDICTIONS IN ACCORDANCE WITH § 2-1706 OF THIS SUBTITLE;~~

~~(3) FOR THE DEPARTMENT'S COMPREHENSIVE FLOOD MANAGEMENT GRANT PROGRAM UNDER § 5-803 OF THIS ARTICLE TO IMPLEMENT;~~

~~(I) CAPITAL PROJECTS UNDERTAKEN AS PART OF
COMPREHENSIVE FLOOD MANAGEMENT PLANS; AND~~

~~(II) INFRASTRUCTURE REPAIRS, WATERSHED RESTORATION,
AND EMERGENCY PROTECTION WORK ASSOCIATED WITH FLOOD EVENTS; AND~~

~~(4) TO SUPPORT THE FOLLOWING:~~

~~(I) THE STATE DISASTER RECOVERY FUND UNDER §
14-110.5 OF THE PUBLIC SAFETY ARTICLE FOR DISASTER RECOVERY ASSISTANCE;~~

~~(II) THE MARYLAND DEPARTMENT OF HEALTH'S OFFICE OF
MINORITY HEALTH AND HEALTH DISPARITIES IN ADDRESSING THE HEALTH
IMPACTS OF CLIMATE CHANGE ON MINORITY ADULTS, CHILDREN, AND INFANTS;~~

~~(III) THE MARYLAND DEPARTMENT OF HEALTH'S COMMUNITY
HEALTH RESOURCES COMMISSION FOR THE HEALTH EQUITY RESOURCE
COMMUNITIES PROGRAM;~~

~~(IV) THE MARYLAND DEPARTMENT OF HEALTH'S MEDICAID
ADMINISTRATION TO USE FOR THE STATE MEDICAID PROGRAM;~~

~~(V) THE DEPARTMENT OF NATURAL RESOURCES TO
INCORPORATE CLIMATE AND EQUITY PROVISIONS IN LOCAL CRITICAL AREA
PROGRAM GRANTS;~~

~~(VI) THE GREAT MARYLAND OUTDOORS FUND UNDER § 5-222
OF THE NATURAL RESOURCES ARTICLE TO SUPPORT CLIMATE EDUCATION AND
ADAPTATION ON PARK LANDS;~~

~~(VII) THE WHOLE WATERSHED FUND UNDER § 8-2B-03 OF THE
NATURAL RESOURCES ARTICLE TO SUPPORT WATERSHED AND COMMUNITY
RESILIENCE;~~

~~(VIII) THE DEPARTMENT OF NATURAL RESOURCES IN MANAGING
FLOODING THROUGH THE IMPLEMENTATION OF STREAM RESTORATION AND
NATURAL FILTRATION PROJECTS;~~

~~(IX) THE DEPARTMENT OF NATURAL RESOURCES IN
PROVIDING PLANNING GRANTS TO LOCAL GOVERNMENTS TO PREPARE FOR
EXTREME FLOODING;~~

~~(X) THE MARYLAND STRATEGIC ENERGY INVESTMENT FUND UNDER § 9-20B-05 OF THE STATE GOVERNMENT ARTICLE FOR:~~

~~1. ENERGY EFFICIENCY PROGRAMS BENEFITING LOW-INCOME AND MODERATE-INCOME HOUSEHOLDS; AND~~

~~2. OTHER CLEAN ENERGY INVESTMENTS;~~

~~(XI) THE RESILIENCY HUB GRANT PROGRAM FUND UNDER § 9-2015 OF THE STATE GOVERNMENT ARTICLE IN DEVELOPING RESILIENCY HUBS SERVING LOW-INCOME AND MODERATE-INCOME HOUSEHOLDS;~~

~~(XII) THE MARYLAND DEPARTMENT OF EMERGENCY MANAGEMENT IN SUPPLEMENTING PRE-DISASTER MITIGATION FUNDING PROVIDED UNDER THE FEDERAL BUILDING RESILIENT INFRASTRUCTURE AND COMMUNITIES (BRIC) GRANT PROGRAM;~~

~~(XIII) THE RESILIENT MARYLAND REVOLVING LOAN FUND UNDER § 14-110.4 OF THE PUBLIC SAFETY ARTICLE;~~

~~(XIV) THE CLIMATE CATALYTIC CAPITAL FUND UNDER § 10-855 OF THE ECONOMIC DEVELOPMENT ARTICLE;~~

~~(XV) THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT IN PROVIDING GRANTS AND LOANS UNDER THE MARYLAND WHOLEHOME PROGRAM;~~

~~(XVI) THE MARYLAND ENERGY ADMINISTRATION IN PROVIDING FINANCIAL ASSISTANCE TO LOW-INCOME AND MODERATE-INCOME HOUSEHOLDS TO TRANSITION THEIR HOMES OFF FOSSIL FUELS;~~

~~(XVII) THE ENERGY STORAGE SYSTEM GRANT FUND UNDER § 9-2012 OF THE STATE GOVERNMENT ARTICLE;~~

~~(XVIII) THE DEPARTMENT OF COMMERCE IN ATTRACTING CLEANTECH AND RENEWABLE ENERGY BUSINESSES TO THE STATE;~~

~~(XIX) THE DEPARTMENT'S DAM SAFETY PROGRAM UNDER TITLE 5, SUBTITLE 5 OF THIS ARTICLE;~~

~~(XX) THE DEPARTMENT IN SUPPLEMENTING FUNDING FOR THE COMMISSION ON ENVIRONMENTAL JUSTICE AND SUSTAINABLE COMMUNITIES UNDER TITLE 1, SUBTITLE 7 OF THIS ARTICLE;~~

~~(XXI) THE DEPARTMENT OF TRANSPORTATION FOR THE
STATEWIDE TRANSIT INNOVATION GRANT PROGRAM;~~

~~(XXII) THE ZERO EMISSION VEHICLE SCHOOL BUS TRANSITION
FUND UNDER § 2-1504 OF THIS TITLE;~~

~~(XXIII) THE MARYLAND ENERGY ADMINISTRATION FOR THE
MEDIUM DUTY AND HEAVY DUTY ZERO EMISSION VEHICLE GRANT PROGRAM
UNDER § 9-2011 OF THE STATE GOVERNMENT ARTICLE;~~

~~(XXIV) THE MARYLAND ENERGY ADMINISTRATION FOR THE
ELECTRIC VEHICLE RECHARGING EQUIPMENT REBATE PROGRAM UNDER § 9-2009
OF THE STATE GOVERNMENT ARTICLE;~~

~~(XXV) THE DEPARTMENT OF TRANSPORTATION FOR THE KIM
LAMPHER BIKEWAYS NETWORK PROGRAM UNDER § 2-608 OF THE
TRANSPORTATION ARTICLE;~~

~~(XXVI) THE TRANSIT ORIENTED DEVELOPMENT CAPITAL
GRANT AND REVOLVING LOAN FUND UNDER TITLE 7, SUBTITLE 12 OF THE
TRANSPORTATION ARTICLE;~~

~~(XXVII) THE DEPARTMENT IN HIRING ADDITIONAL STAFF IN
THE DEPARTMENT TO WORK ON INITIATIVES TO PROTECT OVERBURDENED AND
UNDERSERVED COMMUNITIES, AS DEFINED IN § 1-701 OF THIS ARTICLE, FROM THE
EFFECTS OF CLIMATE CHANGE THROUGH IMPROVEMENTS TO PERMITTING
PROCESSES, COMMUNITY OUTREACH EFFORTS, AND OTHER INITIATIVES;~~

~~(XXVIII) THE DEPARTMENT IN HIRING ADDITIONAL STAFF TO
SUPPORT THE DEPARTMENT'S CLIMATE CHANGE PROGRAM;~~

~~(XXIX) THE PUBLIC SERVICE COMMISSION IN HIRING
ADDITIONAL STAFF TO SUPPORT IMPLEMENTATION OF THE EMPOWER MARYLAND
PROGRAM; AND~~

~~(XXX) THE MARYLAND DEPARTMENT OF EMERGENCY
MANAGEMENT IN HIRING ENGINEERING STAFF FOR THE OFFICE OF RESILIENCY TO
WORK ON FLOOD-RELATED ISSUES.~~

~~(C) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.~~

~~(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO
THE GENERAL FUND OF THE STATE.~~

~~(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.~~

~~(I) FOR EACH FISCAL YEAR, AT LEAST 40% OF FUNDING PROVIDED UNDER THE FUND SHALL BE USED FOR PROJECTS THAT DIRECTLY BENEFIT COMMUNITIES DISPROPORTIONATELY AFFECTED BY CLIMATE IMPACTS.~~

~~2-1706.~~

~~(A) THE DEPARTMENT SHALL ESTABLISH AND ADMINISTER A GRANT PROGRAM FOR THE DISTRIBUTION OF FUNDS RECEIVED UNDER § 2-1705(F)(2) OF THIS SUBTITLE TO LOCAL JURISDICTIONS FOR THE PURPOSE OF ASSISTING LOCAL EFFORTS TO ADAPT TO AND MITIGATE THE EFFECTS OF CLIMATE CHANGE.~~

~~(B) THE DEPARTMENT SHALL ESTABLISH:~~

~~(1) APPLICATION PROCEDURES FOR THE GRANT PROGRAM;~~

~~(2) CRITERIA FOR PRIORITIZING APPLICATIONS UNDER THE GRANT PROGRAM;~~

~~(3) PROCEDURES FOR AWARDING GRANTS UNDER THE GRANT PROGRAM; AND~~

~~(4) ANY OTHER PROCEDURES OR CRITERIA NECESSARY TO CARRY OUT THIS SECTION.~~

~~2-1707.~~

~~(A) ON OR BEFORE OCTOBER 1, 2026, THE DEPARTMENT SHALL ADOPT REGULATIONS NECESSARY TO CARRY OUT THE PROGRAM.~~

~~(B) THE REGULATIONS SHALL INCLUDE:~~

~~(1) METHODOLOGIES USING THE BEST AVAILABLE SCIENCE TO IDENTIFY RESPONSIBLE PARTIES AND DETERMINE RESPONSIBLE PARTIES' APPLICABLE SHARES OF GREENHOUSE GAS EMISSIONS;~~

~~(2) RULES RELATING TO:~~

~~(i) REGISTERING ENTITIES DETERMINED TO BE RESPONSIBLE PARTIES UNDER THE PROGRAM;~~

~~(H) ISSUING NOTICES OF COST RECOVERY DEMANDS THAT SHALL INCLUDE:~~

- ~~1. THE COST RECOVERY DEMAND AMOUNT;~~
- ~~2. THE TIME AND MANNER IN WHICH COST RECOVERY PAYMENTS MUST BE MADE;~~
- ~~3. THE CONSEQUENCES OF NONPAYMENT OR LATE PAYMENT; AND~~
- ~~4. INFORMATION REGARDING THE RIGHT TO REQUEST A CONTESTED CASE HEARING; AND~~

~~(HH) ACCEPTING PAYMENTS FROM, PURSUING COLLECTION EFFORTS AGAINST, AND NEGOTIATING SETTLEMENT AGREEMENTS WITH RESPONSIBLE PARTIES; AND~~

~~(3) SUBJECT TO SUBSECTION (C) OF THIS SECTION, PROCEDURES FOR IDENTIFYING CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECTS ELIGIBLE TO RECEIVE QUALIFYING EXPENDITURES FROM THE FUND.~~

~~(C) (1) THE DEPARTMENT MAY BY REGULATION PROVIDE FOR CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECTS TO BE IDENTIFIED FOR FUNDING THROUGH:~~

~~(I) LEGISLATIVE BUDGET APPROPRIATIONS;~~

~~(II) THE ISSUANCE OF REQUESTS FOR PROPOSALS FROM LOCAL GOVERNMENTS, NONPROFIT ORGANIZATIONS, OR COMMUNITY GROUPS; OR~~

~~(III) ANY OTHER METHOD THE DEPARTMENT DEEMS APPROPRIATE.~~

~~(2) THE DEPARTMENT SHALL ENSURE THAT AT LEAST 40% OF THE QUALIFIED EXPENDITURES FROM THE PROGRAM GO TO CLIMATE CHANGE ADAPTIVE OR MITIGATION INFRASTRUCTURE PROJECTS THAT DIRECTLY BENEFIT COMMUNITIES DISPROPORTIONATELY AFFECTED BY CLIMATE IMPACTS.~~

~~2-1708.~~

~~(A) ON OR BEFORE OCTOBER 1, 2028, AND EACH OCTOBER 1 THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON:~~

~~(1) THE COST RECOVERY PAYMENTS RECEIVED AND THE FUNDING
DISBURSED FROM THE FUND DURING THE PRECEDING FISCAL YEAR;~~

~~(2) THE STATUS OF CLIMATE CHANGE ADAPTIVE OR MITIGATION
INFRASTRUCTURE PROJECTS FUNDED UNDER THE PROGRAM;~~

~~(3) THE PERCENTAGE OF QUALIFIED EXPENDITURES MADE DURING
THE PRECEDING FISCAL YEAR THAT FUNDED CLIMATE CHANGE ADAPTIVE OR
MITIGATION INFRASTRUCTURE PROJECTS THAT DIRECTLY BENEFITED
COMMUNITIES DISPROPORTIONATELY AFFECTED BY CLIMATE IMPACTS; AND~~

~~(4) THE EFFECTIVENESS OF THE PROGRAM IN ACHIEVING THE
PURPOSES OF THIS SUBTITLE.~~

~~(B) (1) THE LEGISLATIVE AUDITOR MAY CONDUCT POST AUDITS OF A
FISCAL AND COMPLIANCE NATURE OF THE FUND AND OF THE APPROPRIATIONS AND
EXPENDITURES MADE FOR THE PURPOSES OF THIS SUBTITLE.~~

~~(2) THE COST OF THE FISCAL PORTION OF AN AUDIT SHALL BE PAID
FROM THE FUND AS AN ADMINISTRATIVE COST.~~

~~Article Natural Resources~~

~~§ 222.~~

~~(a) In this section, "Fund" means the Great Maryland Outdoors Fund.~~

~~(b) There is a Great Maryland Outdoors Fund in the Department.~~

~~(c) The Fund consists of:~~

~~(1) Money appropriated in the State budget to the Fund in accordance with
subsection (j) of this section;~~

~~(2) Interest earnings of the Fund; [and]~~

~~(3) MONEY RECEIVED FROM THE CLIMATE CHANGE ADAPTATION
AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THE ENVIRONMENT
ARTICLE; AND~~

~~(4) Any other money from any other source accepted for the benefit of the
Fund.~~

~~§ 2B-03.~~

~~(a) There is a Whole Watershed Fund.~~

~~(c) The Fund consists of:~~

~~(1) Revenue distributed to the Fund from:~~

~~(i) The Chesapeake and Atlantic Coastal Bays 2010 Trust Fund established under § 8-2A-02 of this title;~~

~~(ii) The Bay Restoration Fund established under § 9-1605.2 of the Environment Article;~~

~~(iii) The Clean Water Commerce Account established under § 9-1605.4 of the Environment Article;~~

~~(iv) The Maryland Agricultural Land Preservation Fund established under § 2-505 of the Agriculture Article;~~

~~(v) The cost sharing program established under § 8-702 of the Agriculture Article; and~~

~~(vi) The Waterway Improvement Fund established under § 8-707 of this title;~~

~~(2) MONEY RECEIVED FROM THE CLIMATE CHANGE ADAPTATION AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THE ENVIRONMENT ARTICLE;~~

~~(3) Money appropriated in the State budget to the Fund;~~

~~[(3)] (4) Interest earnings; and~~

~~[(4)] (5) Any other money from any other source accepted for the benefit of the Fund.~~

~~Article — Public Safety~~

~~14-110.4.~~

~~(b) There is a Resilient Maryland Revolving Loan Fund.~~

~~(h) The Fund consists of:~~

~~(1) money appropriated in the State budget to the Fund;~~

~~(2) investment and interest earnings of the Fund;~~

~~(3) repayments of principal and interest from loans made from the Fund;~~

~~(4) money received from the Federal Emergency Management Agency;~~

~~[and]~~

~~(5) MONEY RECEIVED FROM THE CLIMATE CHANGE ADAPTATION
AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THE ENVIRONMENT
ARTICLE; AND~~

~~(6) any other money from any other source accepted for the benefit of the
Fund.~~

~~14-110.5.~~

~~(b) There is a State Disaster Recovery Fund.~~

~~(f) (1) The Governor may include in the annual budget bill an appropriation
to the Fund.~~

~~(2) The Fund [shall consist] CONSISTS of:~~

~~(i) money appropriated in the State budget to the Fund;~~

~~(ii) repayments of principal and interest from loans made from the
Fund;~~

~~(iii) reimbursements from the federal government or other legal
entities for disaster recovery assistance expenditures made from the Fund;~~

~~(iv) FUNDS RECEIVED FROM THE CLIMATE CHANGE
ADAPTATION AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THE
ENVIRONMENT ARTICLE;~~

~~(v) interest earnings of the Fund; and~~

~~[(v)] (VI) any other money from any other source accepted for the
benefit of the Fund.~~

~~Article State Government~~

~~9-2012.~~

~~(b) There is an Energy Storage System Grant Program in the Administration.~~

~~(i) (1) There is an Energy Storage System Grant Fund.~~

~~(4) The Fund consists of:~~

~~(i) money appropriated in the State budget to the Fund; [and]~~

~~(ii) MONEY RECEIVED FROM THE CLIMATE CHANGE
ADAPTATION AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THE
ENVIRONMENT ARTICLE; AND~~

~~(HH) any other money from any other source accepted for the benefit
of the Fund.~~

~~9-2015.~~

~~(b) There is a Resiliency Hub Grant Program Fund.~~

~~(f) The Fund consists of:~~

~~(1) grant funding obtained under subsection (k) of this section;~~

~~(2) funds distributed to the Fund under § 9-20B-05 of this title and §§
2-110.1 and 13-201 of the Public Utilities Article;~~

~~(3) money appropriated in the State budget to the Fund;~~

~~(4) MONEY RECEIVED FROM THE CLIMATE CHANGE ADAPTATION
AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THE ENVIRONMENT
ARTICLE;~~

~~(5) interest earnings; and~~

~~[(5)] (6) any other money from any other source accepted for the benefit
of the Fund.~~

~~9-20B-05.~~

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

~~(c) The Fund consists of:~~

~~(1) all of the proceeds from the sale of allowances under § 2-1002(g) of the
Environment Article;~~

~~(2) money appropriated in the State budget to the Program;~~

~~(3) repayments and prepayments of principal and interest on loans made from the Fund;~~

~~(4) interest and investment earnings on the Fund;~~

~~(5) compliance fees paid under § 7-705 of the Public Utilities Article;~~

~~(6) money received from any public or private source for the benefit of the Fund;~~

~~(7) money transferred from the Public Service Commission under § 7-207.2(c)(3) of the Public Utilities Article; [and]~~

~~(8) money distributed under § 2-614.1 of the Tax General Article; AND~~

~~(9) MONEY RECEIVED FROM THE CLIMATE CHANGE ADAPTATION AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THE ENVIRONMENT ARTICLE.~~

~~(1-2) MONEY RECEIVED FROM THE CLIMATE CHANGE ADAPTATION AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THE ENVIRONMENT ARTICLE SHALL BE ACCOUNTED FOR SEPARATELY WITHIN THE FUND AND MAY BE USED FOR:~~

~~(1) ENERGY EFFICIENCY PROGRAMS BENEFITING LOW INCOME AND MODERATE INCOME HOUSEHOLDS; AND~~

~~(2) OTHER CLEAN ENERGY INVESTMENTS.~~

~~Article — Transportation~~

~~7-1202.~~

~~(a) There is a Transit Oriented Development Capital Grant and Revolving Loan Fund.~~

~~7-1203.~~

~~(a) The purpose of the Fund is to promote the equitable and inclusive development of transit-oriented developments throughout the State.~~

~~(e) (1) The Fund consists of:~~

~~(i) Money appropriated in the State budget to the Fund;~~

~~(ii) Money made available for qualifying uses by the Fund from other governmental sources, including eligible federal funding and the Transportation Trust Fund;~~

~~(iii) MONEY RECEIVED FROM THE CLIMATE CHANGE ADAPTATION AND MITIGATION FUND IN ACCORDANCE WITH § 2-1705 OF THE ENVIRONMENT ARTICLE;~~

~~(iv) Ground rents or land sale proceeds in accordance with § 10-306(e)(2) of the State Finance and Procurement Article;~~

~~[(iv)] (v) Payments of principal of and interest on loans made under this title;~~

~~[(v)] (vi) Investment earnings of the Fund; and~~

~~[(vi)] (vii) Any other money from any other source, public or private, accepted for the benefit of the Fund.~~

~~(2) Contributions to the Fund under paragraph [(1)(iii)] (1)(iv) of this subsection shall:~~

~~(i) Be separately accounted for in the Fund; and~~

~~(ii) Be used only for the benefit of transit-oriented developments in the same county where the real property subject to the ground rent or land sale is located.~~

(a) (1) The University of Maryland Center for Global Sustainability Comptroller, in coordination with the Comptroller Department of Commerce, and the Department of the Environment, shall conduct a study to assess the total cost of greenhouse gas emissions in the State.

(2) The Comptroller may hire a consultant to conduct the study.

~~(2) On or before November 1, 2026, the University of Maryland Center for Global Sustainability shall report to the Comptroller and the Department of the Environment on the findings of the study required under paragraph (1) of this subsection.~~

(b) On or before December 1, 2026, the Comptroller, the Department of Commerce, and the Department of the Environment shall report to the Senate Budget and Taxation Committee, the Senate Committee on Education, Energy, and the Environment, the Senate Judicial Proceedings Committee, the House Appropriations Committee, the House Environment and Transportation Committee, and the House Judiciary Committee, in accordance with § 2-1257 of the State Government Article, on the total assessed cost of greenhouse gas emissions in the State based on the findings of the study conducted by the

~~University of Maryland Center for Global Sustainability~~ under subsection (a) of this section.

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

(1) a summary of the various cost-driving effects of covered greenhouse gas emissions on the State, including effects on public health, natural resources, biodiversity, agriculture, economic development, flood preparedness and safety, and housing, and any other effect that the Comptroller and the Department of the Environment determine to be relevant;

(2) a categorized calculation of the costs that have been incurred and costs that are projected to be incurred by the State and its residents for each effect identified under item (1) of this subsection; and

(3) a categorized calculation of the costs that have been incurred and costs that are projected to be incurred by the State and its residents to ~~mitigate~~ adapt to the effects of covered greenhouse gas emissions during the covered period; and

(4) an economic analysis to determine whether there would be a cost passed on to taxpayers as a result of requiring each fossil fuel company that has a sufficient nexus to the State and emitted more than 1,000,000,000 tons of greenhouse gas emissions globally between 1995 and 2024 to compensate the State for climate change.

~~(d) On or before July 1, 2026, the Department of the Environment shall provide a status report, including preliminary findings, to the Senate Budget and Taxation Committee, the Senate Committee on Education, Energy, and the Environment, the Senate Judicial Proceedings Committee, the House Appropriations Committee, the House Environment and Transportation Committee, and the House Judiciary Committee, in accordance with § 2-1257 of the State Government Article.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~October~~ July 1, 2025.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.