

HOUSE BILL 165

M3, M5, C5
HB 125/19 – ECM

0lr0732

By: **Delegates Miller, Adams, Arentz, M. Fisher, Howard, and Impallaria**

Introduced and read first time: January 15, 2020

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Solar Photovoltaic Recycling**

3 FOR the purpose of establishing a solar photovoltaic recycling fee; requiring a person
4 installing a solar electric generating facility in the State to pay the fee beginning on
5 a certain date; prohibiting certain entities from imposing any tax, fee, or other charge
6 on the installation of a solar electric generating facility; requiring each installer to
7 pay the fee and to submit a return and remit the fee to the Comptroller on or before
8 a certain day; establishing a certain credit for an installer who timely files a fee
9 return and pays the fee; exempting the fee from certain provisions of law under
10 certain circumstances; requiring the Comptroller to forward a certain portion of the
11 fees to the Solar Photovoltaic Recycling Fund; applying certain provisions of law
12 governing the sales and use tax to the administration, collection, and enforcement of
13 the fee; requiring the Comptroller to administer the fee; authorizing the Comptroller
14 to adopt certain regulations; establishing the Fund as a special, nonlapsing fund;
15 specifying the purpose of the Fund; requiring the Department of the Environment to
16 administer the Fund; requiring the State Treasurer to hold the Fund and the
17 Comptroller to account for the Fund; specifying the contents of the Fund; specifying
18 the purposes for which the Fund may be used; providing for the investment of money
19 in and expenditures from the Fund; requiring interest earnings of the Fund to be
20 credited to the Fund; requiring that a certain percentage of a certain sale price of
21 each renewable energy credit be deposited into the Fund; exempting the Fund from
22 a certain provision of law requiring interest earnings on State money to accrue to the
23 General Fund of the State; defining a certain term; and generally relating to solar
24 photovoltaic recycling.

25 BY adding to
26 Article – Environment
27 Section 9–1715 and 9–1716
28 Annotated Code of Maryland
29 (2014 Replacement Volume and 2019 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



BY repealing and reenacting, without amendments,
Article – Public Utilities
Section 7–709(a)
Annotated Code of Maryland
(2010 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 7–709(b)
Annotated Code of Maryland
(2010 Replacement Volume and 2019 Supplement)

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 2019 Supplement)

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)121. and 122.
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)123.
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

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

Article – Environment

9–1715.

(A) (1) BEGINNING OCTOBER 1, 2020, A PERSON INSTALLING A SOLAR ELECTRIC GENERATING FACILITY IN THE STATE SHALL PAY A SOLAR PHOTOVOLTAIC RECYCLING FEE.

(2) A COUNTY, A MUNICIPAL CORPORATION, OR ANY AGENCY OF A COUNTY OR MUNICIPAL CORPORATION MAY NOT IMPOSE ANY TAX, FEE, OR OTHER CHARGE ON THE INSTALLATION OF A SOLAR ELECTRIC GENERATING FACILITY.

(B) THE SOLAR PHOTOVOLTAIC RECYCLING FEE IS 10% OF THE COST OF

1 INSTALLATION.

2 (C) EACH INSTALLER SHALL:

3 (1) PAY THE SOLAR PHOTOVOLTAIC RECYCLING FEE; AND

4 (2) ON OR BEFORE THE 21ST DAY OF THE MONTH THAT FOLLOWS THE
5 MONTH IN WHICH THE SALE WAS MADE:

6 (I) COMPLETE AND SUBMIT, UNDER OATH, A RETURN TO THE
7 COMPTROLLER; AND

8 (II) REMIT THE FEES TO THE COMPTROLLER.

9 (D) AN INSTALLER WHO TIMELY FILES A SOLAR PHOTOVOLTAIC RECYCLING
10 FEE RETURN AND PAYS THE SOLAR PHOTOVOLTAIC RECYCLING FEES DUE IS
11 ALLOWED, FOR THE EXPENSE OF ADMINISTERING AND PAYING THE FEE, A CREDIT
12 EQUAL TO 0.6% OF THE GROSS AMOUNT OF SOLAR PHOTOVOLTAIC RECYCLING FEES
13 THAT THE INSTALLER IS TO PAY TO THE COMPTROLLER.

14 (E) IF THE AMOUNT OF THE SOLAR PHOTOVOLTAIC RECYCLING FEE IS
15 SEPARATELY STATED IN A RETAIL SALE, THE SOLAR PHOTOVOLTAIC RECYCLING
16 FEE IS NOT SUBJECT TO ANY TAX UNDER TITLE 11 OF THE TAX – GENERAL ARTICLE
17 OR TITLE 13 OF THE TRANSPORTATION ARTICLE.

18 (F) AT THE END OF EACH QUARTER, THE COMPTROLLER SHALL FORWARD
19 ALL SOLAR PHOTOVOLTAIC RECYCLING FEES TO THE SOLAR PHOTOVOLTAIC
20 RECYCLING FUND UNDER § 9-1716 OF THIS SUBTITLE, LESS THE COSTS OF
21 ADMINISTRATION.

22 (G) EXCEPT TO THE EXTENT THEY ARE INCONSISTENT WITH THIS SECTION,
23 THE PROVISIONS OF TITLE 13 OF THE TAX – GENERAL ARTICLE APPLICABLE TO THE
24 SALES AND USE TAX SHALL GOVERN THE ADMINISTRATION, COLLECTION, AND
25 ENFORCEMENT OF THE SOLAR PHOTOVOLTAIC RECYCLING FEE UNDER THIS
26 SECTION.

27 (H) THE COMPTROLLER:

28 (1) SHALL ADMINISTER THE SOLAR PHOTOVOLTAIC RECYCLING FEE;
29 AND

30 (2) MAY ADOPT ANY REGULATIONS THAT ARE NECESSARY OR
31 APPROPRIATE TO ADMINISTER, COLLECT, AND ENFORCE THE SOLAR

1 PHOTOVOLTAIC RECYCLING FEE.

2 9-1716.

3 (A) IN THIS SECTION, "FUND" MEANS THE SOLAR PHOTOVOLTAIC
4 RECYCLING FUND.

5 (B) THERE IS A SOLAR PHOTOVOLTAIC RECYCLING FUND.

6 (C) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING FOR
7 TECHNOLOGIES AND PROCESSES THAT ASSIST WITH THE RECYCLING OF SOLAR
8 PHOTOVOLTAIC SYSTEMS.

9 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

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

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

14 (F) THE FUND CONSISTS OF:

15 (1) REVENUE DISTRIBUTED TO THE FUND UNDER § 9-1715 OF THIS
16 SUBTITLE AND § 7-709 OF THE PUBLIC UTILITIES ARTICLE;

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

18 (3) INTEREST EARNINGS OF THE FUND; AND

19 (4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
20 THE BENEFIT OF THE FUND.

21 (G) THE FUND MAY BE USED ONLY FOR:

22 (1) TECHNOLOGIES AND PROCESSES THAT ASSIST WITH THE
23 RECYCLING OF SOLAR PHOTOVOLTAIC SYSTEMS; AND

24 (2) ADMINISTRATION OF THE FUND.

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

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

3 **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
4 **WITH THE STATE BUDGET.**

5 **(J) MONEY EXPENDED FROM THE FUND FOR THE RECYCLING OF SOLAR**
6 **PHOTOVOLTAIC SYSTEMS IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE**
7 **PLACE OF FUNDING THAT WOULD OTHERWISE BE APPROPRIATED FOR RECYCLING**
8 **OF SOLAR PHOTOVOLTAIC SYSTEMS.**

9 **Article – Public Utilities**

10 7–709.

11 (a) An electricity supplier may use accumulated renewable energy credits to meet
12 the renewable energy portfolio standard, including credits created by a renewable on–site
13 generator.

14 (b) **(1) [A] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A**
15 **renewable energy credit may be sold or otherwise transferred.**

16 **(2) FOR EACH RENEWABLE ENERGY CREDIT THAT IS SOLD, 20% OF**
17 **THE FIRST SALE PRICE SHALL BE DEPOSITED INTO THE SOLAR PHOTOVOLTAIC**
18 **RECYCLING FUND UNDER § 9–1716 OF THE ENVIRONMENT ARTICLE.**

19 **Article – State Finance and Procurement**

20 6–226.

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

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

29 121. the Markell Hendricks Youth Crime Prevention and
30 Diversion Parole Fund; [and]

31 122. the Federal Government Shutdown Employee Assistance
32 Loan Fund; AND

123. THE SOLAR PHOTOVOLTAIC RECYCLING FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
October 1, 2020.