HOUSE BILL 155

C9 5lr0160
(PRE–FILED) CF SB 247

By: **Chair, Environment and Transportation Committee (By Request – Departmental – Housing and Community Development)**
Requested: October 16, 2024
Introduced and read first time: January 8, 2025
Assigned to: Environment and Transportation

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 1, 2025

CHAPTER ______

AN ACT concerning

Housing and Community Development – Greenhouse Gas Emissions Reductions – Issuance of Loans and Achievement of Targets

FOR the purpose of authorizing the Department of Housing and Community Development to issue loans, in addition to grants, for certain purposes relating to reducing direct greenhouse gas emissions from certain multifamily residential buildings; expanding the sources of savings that the Department may ~~include~~ procure and provide when calculating the achievement of certain greenhouse gas emissions reduction targets; and generally relating to greenhouse gas emissions reductions.

BY repealing and reenacting, with amendments,
Article – Housing and Community Development
Section 4–211(d)
Annotated Code of Maryland
(2019 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, without amendments,
Article – Public Utilities
Section 7–224(a) and (b)
Annotated Code of Maryland
(2020 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,

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.

Article – Public Utilities
Section 7–224(c)
Annotated Code of Maryland
(2020 Replacement Volume and 2024 Supplement)

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

Article – Housing and Community Development

4–211.

(d) (1) (i) In this subsection the following words have the meanings indicated.

(ii) "Covered building" has the meaning stated in § 2–1601 of the Environment Article.

(iii) "Energy conservation project" means a project that qualifies under § 4–218 of this subtitle.

(2) For the purpose of reducing direct greenhouse gas emissions from multifamily residential buildings in accordance with the standards adopted under § 2–1602 of the Environment Article, the Administration shall develop and implement a program to provide grants **AND LOANS** for energy conservation projects and projects to install renewable energy generating systems in covered buildings that house primarily low– to moderate–income households.

(3) Grants **AND LOANS** provided under this subsection may not be used for a project to install new equipment that uses fossil fuels or improve the efficiency of existing equipment that uses fossil fuels.

(4) In each of fiscal years 2024 through 2026, the Governor shall include in the annual budget bill an appropriation of $5,000,000 to the Department for the purpose of providing grants **AND LOANS** under this subsection.

(5) On or before December 1, 2023, and each December 1 thereafter, the Administration shall report to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly on the projects funded under this subsection.

Article – Public Utilities

7–224.

(a) (1) Beginning January 1, 2025, and on or before January 1 every 3 years, starting in 2027, the Department shall procure or provide to low–income individuals energy efficiency and conservation programs and services, demand response programs and services, and beneficial electrification programs and services that achieve the greenhouse gas emissions reduction targets established for the Department under paragraph (2) of this subsection.

(2) For the period 2025–2033, the programs and services required under paragraph (1) of this subsection shall be on a trajectory to achieve greenhouse gas reductions after 2027 of at least 0.9% of the baseline determined under subsection (b) of this section.

(3) (i) When establishing greenhouse gas emissions reduction targets under this subsection, the Commission shall measure the greenhouse gas emissions from electricity using current data and projections from the Department of the Environment.

(ii) The greenhouse gas emissions reduction targets established under this subsection shall be measured in metric tons.

(4) The greenhouse gas reductions achieved to meet the targets established under paragraph (2) of this subsection shall count toward the achievement of the greenhouse gas reduction target established under § 7–223(b) of this subtitle.

(5) The target greenhouse gas savings shall be achieved based on the 3–year average of the Department's plan submitted in accordance with subsection (d) of this section.

(6) For 2025 and 2026:

(i) the Commission shall, after making appropriate findings, determine whether the Department's existing 2024–2026 plan must be modified to comply with:

1. the targets established in this subsection; and

2. § 7–225(d) of this subtitle; and

(ii) the Department:

1. shall provide information as required by the Commission to assist in making the determination in item (i) of this paragraph; and

2. is only required to file new plans in accordance with subsection (d) of this section and § 7–225 of this subtitle if directed by the Commission.

(b) As a baseline for determining greenhouse gas emissions reduction targets under this section, the Commission shall use the greenhouse gas emissions resulting from the direct consumption of gas and electricity by low–income residential households in 2016, as determined by the Department of the Environment.

(c) **[**(1) The**] WHEN CALCULATING THE ACHIEVEMENT OF GREENHOUSE GAS EMISSIONS REDUCTION TARGETS UNDER THIS SECTION, THE** Department may **[**procure or provide**]** ~~**INCLUDE**~~ savings that are achieved through **[**funding sources that meet the standards of program funding through utility rates or the U.S. Department of Energy**] ALL FUNDING SOURCES, TO THE EXTENT THAT THE SAVINGS FROM THOSE FUNDING SOURCES ARE ACHIEVED:**

(1) IN A MANNER CONSISTENT WITH REQUIREMENTS OF THE U.S. DEPARTMENT OF ENERGY; OR

(2) IN A MANNER OTHERWISE CONSISTENT WITH THE ENERGY SAVINGS REQUIREMENTS APPLICABLE TO THOSE FUNDING SOURCES.

[(2) The Department may use the savings achieved through all funding sources toward calculating the targeted greenhouse gas reductions if the funding sources meet the standards of programs funded through:

(i) a surcharge under § 7–222 of this subtitle; or

(ii) the U.S. Department of Energy.**]**

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

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.