

# HOUSE BILL 385

C8, M3

3lr0812  
CF SB 27

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By: **Delegates S. Robinson, Arora, Barkley, Beidle, Bobo, Cane, Carr, Clippinger, Cullison, Frush, Gaines, Gilchrist, Glenn, Holmes, Hucker, Ivey, Kaiser, A. Kelly, Lafferty, Luedtke, McIntosh, A. Miller, Niemann, Otto, Reznik, Summers, Wilson, and Zucker**

Introduced and read first time: January 25, 2013

Assigned to: Environmental Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 26, 2013

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Chesapeake Conservation Corps Program – Funding Extension**

3 FOR the purpose of repealing certain limitations on the requirement to provide certain  
4 funding in certain fiscal years to the Chesapeake Conservation Corps Program  
5 for certain purposes from the Environmental Trust Fund; requiring certain  
6 funding for the Corps Program each fiscal year; extending the termination date  
7 of a certain surcharge on electrical energy distributed to retail electric  
8 customers in the State; and generally relating to the Chesapeake Conservation  
9 Corps Program and the Environmental Trust Fund.

10 BY repealing and reenacting, without amendments,

11 Article – Natural Resources

12 Section ~~3–302(a)(1)~~ 3–302(a) and (b)(1) and 8–1913(a) and (c)

13 Annotated Code of Maryland

14 (2012 Replacement Volume)

15 BY repealing and reenacting, with amendments,

16 Article – Natural Resources

17 Section ~~3–302(d)~~ 3–302(b)(2) and (d) and 8–1921

18 Annotated Code of Maryland

19 (2012 Replacement Volume)

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### 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.



1 BY repealing and reenacting, with amendments,  
2 Article – Public Utilities  
3 Section 7–203  
4 Annotated Code of Maryland  
5 (2010 Replacement Volume and 2012 Supplement)

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

8 **Article – Natural Resources**

9 3–302.

10 (a) (1) There is an Environmental Trust Fund.

11 (2) For the purpose of this subtitle, there is established as an added  
12 cost of electricity distributed to retail electric customers within the State, an  
13 environmental surcharge per kilowatt hour of electric energy distributed in the State  
14 to be paid by any electric company as defined in § 1–101 of the Public Utilities Article.  
15 The Public Service Commission shall impose the surcharge per kilowatt hour of  
16 electric energy distributed to retail electric customers within the State and shall  
17 authorize the electric companies to add the full amount of the surcharge to retail  
18 electric customers' bills. To the extent that the surcharge is not collected from retail  
19 electric customers, the surcharge shall be deemed a cost of distribution and shall be  
20 allowed and computed as such, together with other allowable expenses, for  
21 rate-making purposes. Revenues from the surcharge shall be collected by the  
22 Comptroller and placed in the Fund.

23 (b) (1) The Secretary, in consultation with the Director of the Maryland  
24 Energy Administration, annually shall coordinate the preparation of a budget required  
25 to carry out the provisions of this subtitle. Upon approval of the budget by the General  
26 Assembly, the Public Service Commission shall establish the amount of the surcharge  
27 per kilowatt hour for the fiscal year beginning July 1, 1972, and for each subsequent  
28 fiscal year.

29 (2) Notwithstanding any other provisions of this subtitle, the amount  
30 of the surcharge for each account for each retail electric customer may not exceed the  
31 lesser of 0.15 mill per kilowatt hour or \$1,000 per month and the surcharge may not  
32 continue beyond fiscal year [2015] 2020.

33 (d) (1) The Maryland Energy Administration shall receive administrative  
34 and fiscal support from the Fund for studies relating to the conservation or production  
35 of electric energy.

36 (2) Fiscal support to the Maryland Energy Administration from the  
37 Fund may not exceed \$250,000 in any fiscal year.



1           (2) The Comptroller shall maintain the method of collection of the  
2 surcharge from each electric company, and the money collected shall accrue to the  
3 Fund.

4           (c) (1) Each fiscal year, the Secretary of Natural Resources shall  
5 coordinate the preparation of the annual budget required to carry out the provisions of  
6 the Power Plant Research Program under Title 3, Subtitle 3 of the Natural Resources  
7 Article.

8           (2) Each fiscal year, on approval of the annual budget by the General  
9 Assembly for the Power Plant Research Program, the Commission shall establish the  
10 amount of the environmental surcharge per kilowatt hour of electric energy  
11 distributed in the State that is to be imposed on each electric company in accordance  
12 with subsection (a) of this section.

13           (d) (1) Notwithstanding any other provision of this subtitle, the amount of  
14 the surcharge for each account of each retail electric customer may not exceed the  
15 lesser of 0.15 mill per kilowatt hour or \$1,000 per month.

16           (2) The Department of Natural Resources shall credit against the  
17 amount the Commission requires each electric company to pay into the Environmental  
18 Trust Fund 0.75% of the total surcharge amount attributed to the electric company on  
19 the basis of the amount of the electricity distributed in the State.

20           (e) To the extent that the Commission requires an electric company to report  
21 the total estimated kilowatt hours of electricity distributed in the State in order to  
22 calculate the surcharge under subsection (a)(1) of this section, a small rural electric  
23 cooperative described in § 7-502(a) of this title may satisfy the requirement by  
24 submitting to the Commission an estimate made in accordance with a formula  
25 approved by the Commission from information that the small rural electric cooperative  
26 submits to the rural utilities service that includes the required information.

27           (f) The surcharge imposed under this subtitle shall terminate on June 30,  
28 [2015] 2020.

29           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
30           October 1, 2013.