

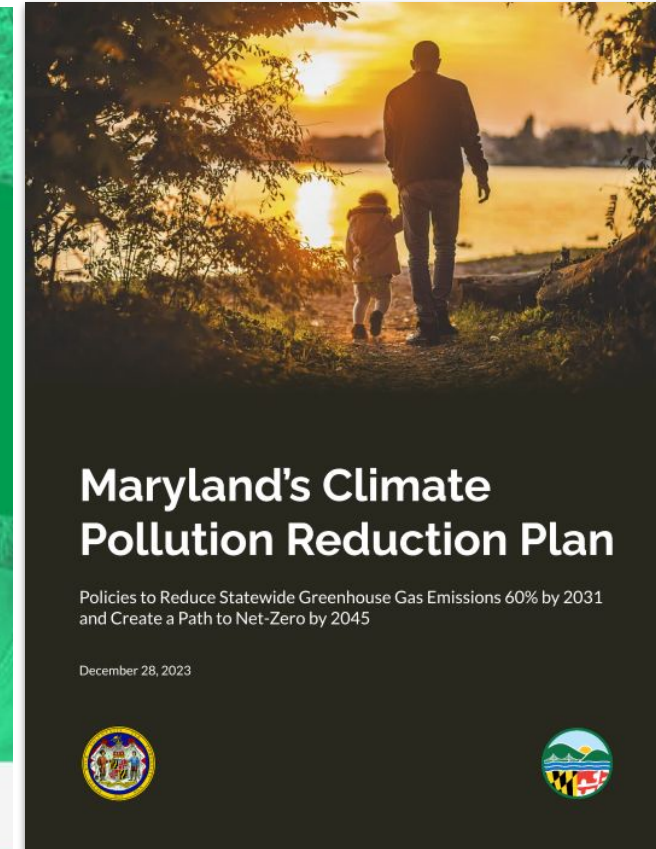
2026 Legislative Session Review

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Presentation Outline

1. Progress on Implementing the Climate Pollution Reduction Plan
2. Climate Legislation that Passed
3. Climate Legislation that Stalled

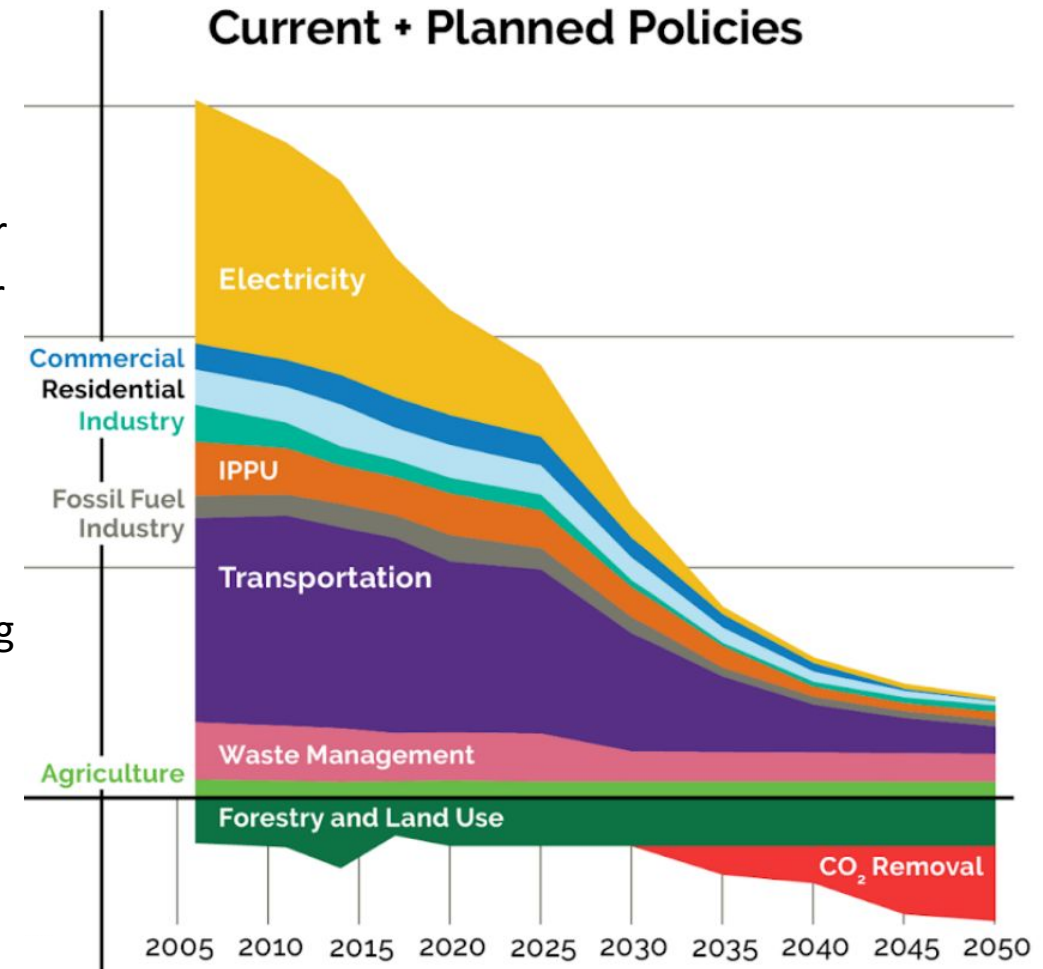


Part 1

Progress on Implementing the Legislative Actions in the Climate Pollution Reduction Plan

Climate Pollution Reduction Plan: 2026 Legislative Actions

- **Develop New Funding Sources**
 - **Some Progress** - \$72m investment in heat pumps from SEIF (HB1532). Approximately \$100 million was transferred to the general revenue fund, used for sustainability components of higher education construction projects or devoted to residential customer rebates.
- **Require new multifamily buildings to be EV-ready**
 - **Some Progress** - Limits the ability of any condo/HOA from restricting EV recharging equipment installation in common parking spaces (HB0405).
- **Modify EmPOWER**
 - **No Progress** - Mixed impacts, described on a later slide (HB1532).
- **Modify the state's EV purchasing incentives**
 - **No Progress**



Climate Commission 2025 Recommendations: 2026 Legislative Actions

- **Enhanced Flood Risk Disclosures (ARWG #3)**
 - **Progress** - Requires the USM system to submit a report to the General Assembly on federal and private flood insurance programs, and make recommendations to mitigate risks associated with climate change and improve the service and responsiveness of insurers, due by July 1, 2027 (SB0739/HB1219).
 - **Progress** - Requires sellers of residential real property (four or fewer single-family units) to provide flood-risk disclosure to purchasers before contract, beginning July 1, 2027 (HB200)
- **Climate Education Month (ECO #2)**
 - **No Progress** - HB0620 introduced but did not pass House.
- **Develop a heat pump market transformation roadmap (MWG #3)**
 - **Some Progress** - \$72m investment in heat pumps from SEIF (HB1532).






Part 2

Climate Legislation that Passed in 2026

Climate Bills that Passed (pending the Governor's veto or approval) Part 1 of 2

- ✔💰 Requires the University System of Maryland to conduct a study on climate change, homeowner's insurance, and emergency / disaster preparedness, due to the Maryland General Assembly by July 1, 2027 (SB0739/HB1219).
- ✔🗑️ Establishes an On-Farm Organics Diversion and Recycling Grant Program (MDA/MDE) starting July 1, 2028, with a mandated \$250K annual appropriation (starting FY28) to fund organics recycling/food rescue (SB0599/HB0429).
- ✔🔌 Establishes a new PSC approval deadline (December 31, 2030) for community solar systems to qualify for agricultural use assessment. Develops a process for SDAT to pre-determine if agrivoltaic projects qualify. Takes effect June 1, 2026, and applies to taxable years after June 30, 2026 (SB0344/HB0734).
- ✔💰 Requires a local jurisdiction's comprehensive plan to include planning principles, such as resilience and ecology, and State plans must be informed by Maryland's Climate Pollution Reduction Plan (SB0197/HB0243).
- ✔🌳 Alters the purpose of the Pamela J. Kelly Tree-Mendous Maryland Program to promote community participation and stewardship, in addition to planting, of native trees and shrubs on public lands, open spaces, school grounds, and rights-of-way (SB0164/HB0255).
- ✔🚗 Prioritizes State Highway Administration funding for sidewalks/bicycle pathways adjacent to complete streets/Vision Zero highways (HB1504).

Climate Bills that Passed (pending the Governor's veto or approval) Part 2 of 2

- ✓  Requires local governments to notify MDE within 10 business days of accepting a permit application for a new building of 35,000+ square feet (excluding parking garage area), effective July 1, 2026 (HB0870).
- ✓  Limits the ability of condominium/HOA governing documents from restricting EV recharging equipment installation in common parking spaces. The governing body may grant a renewable license (up to three years) for common element use necessary for the equipment. This bill applies retroactively (HB0405).
- ✓  Requires a person replanting trees at a clearing site to be DNR-licensed or approved. Damages from cutting/clearing must be paid to the local jurisdiction (SB0178).
- ✓  Establishes the Resilience Through Restoration Capital Grant Fund (DNR) to provide grants for planning, design, construction, and adaptive management of nature-based projects that reduce climate change vulnerabilities and enhance resilience for communities/public lands. DNR must also identify climate risks on department lands (HB0254).
- ✓  Requires sellers of residential real property (four or fewer single-family units) to provide flood-risk disclosure to purchasers before contract, beginning July 1, 2027 (HB200).

 Economywide /  Electricity /  Transportation /  Buildings /  Industry /  Waste /  Agriculture /  Forestry and Land Use

House Bill 1532: Bill Breakdown (pending the Governor's veto or approval)

- ✓ **EmPOWER:** Decreases electric company GHG reduction targets from 2.5% to 1.75% for 2027–2029, delays targets increasing; removes gas companies from the Program; allows community/solar to count up to 20% of 2027–2029 targets; and mandates new cost effectiveness tests and to complete a study on third-party administration.
- ✓ **SEIF:** Provides \$100 million for grants to electric companies to be credited to customers in 2027; requires MEA to annually allocate \$100 million for renewable energy projects grants via an auction, and funds MCEC's Green and Renewable Energy Efficiency for Nonprofits Loan Fund.
- ✓ **Solar:** Requires local jurisdictions to implement “solar permitting software” for automated residential solar/storage plan review and approvals; allows residential customers one “portable solar energy generating system” (up to 12,000 watts max output per meter) without fees/approva;, and PSC to create a new Net Energy Metering Successor program to be implemented until state reaches 6,000 total megawatts.
- ✓ **Community Solar:** Doubles the amount of community solar that can receive net metering benefits but sets up a process for lowering the net metering benefits.
- ✓ **Balcony Solar:** Permits the installation of portable solar generating systems up to 1,200 watts.
- ✓ **Nuclear:** Allows the Commission to approve cost overruns as much as 15 percent on non-bypassable surcharges for new nuclear power projects.
- ✓ **Data Centers:** Requires registration of data center projects, includes provisions to discourage applications for projects that are likely to be abandoned, and provides additional capacity through clean energy generation.

Note: This is not a comprehensive analysis of HB1532, but some key provisions for MCCC’s consideration.

Climate Bills that Stalled

- 💰 Requires MDE, in collaboration with MCCC, MDOT, and MEA, to complete a study on designing and implementing an economy-wide cap-and-invest program to achieve net-zero GHG emissions by 2045 and provide sustainable climate funding (SB0590/HB1199).
- 💰 MEA must use SEIF to provide at least \$365 million annually from FY28- FY32 for climate change reduction programs, prioritized before any other SEIF funding. The bill also modifies RGGI allowance distribution and repeals a provision for using RPS alternative compliance payments for the Customer-Sited Solar Program.
- 💰 Requires SEIF to be used to provide loans and grants for building and transportation electrification (SB0622).
- 🏗️ Authorizes the Attorney General to investigate and prosecute civil/criminal suits against coal, oil, or gas entities for unlawful conduct contributing to climate change. It also establishes the Climate Crimes Accountability Fund (CCAF) to pay for climate mitigation and repair programs (SB0432/HB0572).
- ⚡ Repeals the prohibition on locating a community solar system on an adjacent parcel if total capacity exceeds 5 MW, while retaining the 5 MW limit for systems on the same parcel (SB0265/HB1607).
- 💰 Declaring April as Maryland Climate Education Month (HB0620).
- 💰 Requires MDE to evaluate other sources of emissions in "at risk" census tracts. (SB0978).
- 🚗 Requires analysis and offsets for projected greenhouse gas emissions from large transportation projects (HB437).

💰 Economywide / ⚡ Electricity / 🚗 Transportation / 🏛️ Buildings / 🏗️ Industry / 🗑️ Waste / 🧑🌾 Agriculture / 🌳 Forestry and Land Use