

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 441

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 14, after “project” insert “after the effective date of certain regulations”; and in lines 14 and 15, strike “specifying the application period and” and substitute “requiring the Commission to open a certain application period and provide certain notice under certain circumstances;”; in line 23, after “State;” insert “requiring the Commission to apply the same net cost per megawatt-hour to residential and nonresidential customers when calculating certain rate impacts; incorporating certain findings and evidence associated with a certain Minority Business Enterprise Program; requiring that approved applicants comply with the Minority Business Enterprise Program; prohibiting the Commission from approving an application until certain goals and procedures are established;”; and in line 26, after “right;” insert “requiring a qualified offshore wind project to deposit a certain amount into a certain fund at certain times;”.

On page 2, in line 7, after “credits;” insert “authorizing the Commission to extend the term of an OREC pricing schedule for a certain amount of time under certain circumstances; stating that an OREC transaction that takes place during an extended OREC term is subject to certain provisions and regulations applicable to the original OREC order;”; in line 9, after “requirement;” insert “reducing a certain fee for industrial process load under certain circumstances;”; in line 15, after “prohibiting” insert “the Commission from approving an application for”; in line 21, after “costs;” insert “establishing a Maryland Offshore Wind Business Development Fund in the Department of Business and Economic Development; authorizing the Fund to provide certain financial and business development assistance to a certain business; stating the purpose and administration of the Fund; establishing the Maryland Offshore Wind Business Development Advisory Committee; requiring the Advisory Committee to make certain recommendations regarding the use of money in the Fund; requiring a certain transfer from a certain fund to the Fund; adding the Fund to the list of”.

(Over)

exceptions to the requirement that the earnings of special funds accrue to the General Fund;”; in the same line, after “terms;” insert “making stylistic changes;”; in line 22, after “severable;” insert “requiring the Commission to open a certain evidentiary proceeding to evaluate a certain application;”.

On page 3, after line 1, insert:

“BY adding to

Article – Economic Development

Section 5-1401 through 5-1404 to be under the new subtitle “Subtitle 14.
Maryland Offshore Wind Business Development Fund”

Annotated Code of Maryland

(2008 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and Procurement

Section 6-226(a)(2)(i)

Annotated Code of Maryland

(2009 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 6-226(a)(2)(ii)62. and 63.

Annotated Code of Maryland

(2009 Replacement Volume and 2011 Supplement)

BY adding to

Article – State Finance and Procurement

Section 6-226(a)(2)(ii)64.

Annotated Code of Maryland

(2009 Replacement Volume and 2011 Supplement)”.

AMENDMENT NO. 2

On pages 3 and 4, strike beginning with the first comma in line 30 on page 3 through the comma in line 1 on page 4.

On page 4, in line 1, after the second “OF” insert “ELECTRICITY THAT IS DERIVED FROM”; in line 4, strike “, Inc.”; and in line 13, after “AREA” insert “THAT IS:

(I)”;

in line 16, after “2005;” insert “AND

(II) BETWEEN 10 AND 30 MILES OFF THE COAST OF THE STATE;”.

On page 5, in line 22, after “AREA” insert “THAT IS:

(I)”;

and in line 24, after “ACT” insert “; AND

(II) BETWEEN 10 AND 30 MILES OFF THE COAST OF THE STATE”.

On page 15, in lines 27 and 29, in each instance, strike “, INC.”.

AMENDMENT NO. 3

On page 10, in line 32, strike “A” and substitute “AFTER THE EFFECTIVE DATE OF COMMISSION REGULATIONS IMPLEMENTING THIS SECTION AND § 7-704.2 OF THIS SUBTITLE, A”.

(Over)

On page 11, strike in their entirety lines 1 through 9, inclusive, and substitute:

“(2) (I) ON RECEIPT OF THE APPLICATION FOR APPROVAL OF A QUALIFIED OFFSHORE WIND PROJECT, THE COMMISSION SHALL:

1. OPEN AN APPLICATION PERIOD DURING WHICH OTHER INTERESTED PERSONS MAY SUBMIT APPLICATIONS FOR APPROVAL OF QUALIFIED OFFSHORE WIND PROJECTS; AND

2. PROVIDE NOTICE THAT THE COMMISSION IS ACCEPTING APPLICATIONS FOR APPROVAL OF QUALIFIED OFFSHORE WIND PROJECTS.”;

and in line 11, after “PERIOD” insert “**, WHICH MAY NOT BE LESS THAN 90 DAYS AFTER THE NOTICE PROVIDED UNDER PARAGRAPH (2) OF THIS SUBSECTION**”.

On page 13, in line 32, strike “\$2” and substitute “**\$1.50**”.

On page 14, in line 3, strike “AVERAGE”; in the same line, strike “A” and substitute “**ALL**”; in line 4, strike “CUSTOMER” and substitute “**CUSTOMERS CONSIDERED AS A BLENDED AVERAGE**”; in line 6, strike “2.5% OF THE NONRESIDENTIAL CUSTOMER’S TOTAL ANNUAL ELECTRIC BILL” and substitute “**1.5% OF NONRESIDENTIAL CUSTOMERS’ TOTAL ANNUAL ELECTRIC BILLS**”; in line 9, strike “\$200” and substitute “**\$190**”; and in lines 15 and 16 strike “PRICE SET IN THE OREC PRICING SCHEDULE” and substitute “**OREC PRICE SCHEDULE, WHICH MAY NOT AUTHORIZE AN OREC PRICE GREATER THAN \$190 PER MEGAWATT-HOUR IN 2012 DOLLARS**”.

On page 16, after line 2, insert:

“(D) (1) IF, WITHIN 2 YEARS BEFORE THE EXPIRATION OF AN OREC TERM, A QUALIFIED OFFSHORE WIND PROJECT IS ANTICIPATED TO RECEIVE PJM REVENUES GREATER THAN THE PROJECT OPERATING COSTS FOR THE 5 YEARS IMMEDIATELY FOLLOWING THE EXPIRATION OF THE TERM OF THE OREC PRICING SCHEDULE, THE COMMISSION MAY EXTEND THE TERM OF THE OREC PRICING SCHEDULE FOR AN ADDITIONAL 5 YEARS AT AN OREC PRICE THAT EQUALS 50% OF THE SUM OF:

(I) ANTICIPATED MARKET REVENUES GENERATED BY THE PROJECT DURING THE ADDITIONAL 5-YEAR PERIOD; AND

(II) ANTICIPATED PROJECT OPERATING COSTS DURING THE ADDITIONAL 5-YEAR PERIOD.

(2) IF, WITHIN 2 YEARS BEFORE THE EXPIRATION OF AN ADDITIONAL 5-YEAR TERM EXTENDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, A QUALIFIED OFFSHORE WIND PROJECT IS ANTICIPATED TO RECEIVE PJM REVENUES GREATER THAN THE PROJECT OPERATING COSTS FOR THE 5 YEARS IMMEDIATELY FOLLOWING THE EXPIRATION OF THE ADDITIONAL 5-YEAR TERM, THE COMMISSION MAY EXTEND THE TERM OF THE OREC PRICING SCHEDULE FOR AN ADDITIONAL 5 YEARS AT AN OREC PRICE THAT EQUALS 50% OF THE SUM OF:

(I) ANTICIPATED MARKET REVENUES GENERATED BY THE PROJECT DURING THE ADDITIONAL 5-YEAR PERIOD; AND

(II) ANTICIPATED PROJECT OPERATING COSTS DURING THE ADDITIONAL 5-YEAR PERIOD.

(Over)

(3) EXCEPT AS PROVIDED IN PARAGRAPHS (1) AND (2) OF THIS SUBSECTION, AN OREC TRANSACTION THAT TAKES PLACE DURING AN ADDITIONAL 5-YEAR TERM IS SUBJECT TO THE PROVISIONS AND REGULATIONS APPLICABLE TO THE ORIGINAL OREC ORDER.

(E) ON OR BEFORE JULY 1, 2013, THE COMMISSION SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION AND § 7-704.1 OF THIS SUBTITLE.”.

AMENDMENT NO. 4

On page 12, in line 3, strike “AND”; after line 6, insert:

“(V) AN ANALYSIS OF ANY LONG-TERM EFFECT ON ENERGY AND CAPACITY MARKETS AS A RESULT OF THE PROPOSED OFFSHORE WIND PROJECT; AND

(VI) OTHER BENEFITS, SUCH AS INCREASED IN-STATE CONSTRUCTION, OPERATIONS, MAINTENANCE, AND EQUIPMENT PURCHASE;”;

in line 25, strike “REDUCTIONS” and substitute “CHANGES”; and after line 28, insert:

“(V) POTENTIAL LONG-TERM CHANGES IN CAPACITY PRICES WITHIN MARYLAND FROM THE OFFSHORE WIND PROJECT AS IT COMPARES TO CONVENTIONAL ENERGY SOURCES;”.

AMENDMENT NO. 5

On page 11, in line 23, after “INCLUDE” insert “AT A MINIMUM”; in line 26, after “STATE” insert “WITH PARTICULAR EMPHASIS ON IN-STATE MANUFACTURING EMPLOYMENT”; in lines 27 and 28, strike “AN ASSESSMENT OF JOBS TO BE CREATED BY THE OFFSHORE WIND PROJECT, INCLUDING THE LOCATION,” and substitute “DETAILED INFORMATION CONCERNING ASSUMED

EMPLOYMENT IMPACTS IN THE STATE, INCLUDING"; in lines 28 and 29, strike ", TYPE, AND" and substitute "OF EMPLOYMENT OPPORTUNITIES,"; and in lines 29 and 30, strike "WITH JOB TOTALS EXPRESSED AS FULL-TIME EQUIVALENTS" and substitute "AND OTHER SUPPORTING EVIDENCE OF EMPLOYMENT IMPACTS".

On page 12, in line 11, after "PROJECT" insert ", INCLUDING PROVISIONS FOR DECOMMISSIONING AS REQUIRED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR"; after line 11, insert:

"(6) A COMMITMENT TO:

(I) ABIDE BY THE REQUIREMENTS SET FORTH IN SUBSECTION (E)(3) OF THIS SECTION; AND

(II) DEPOSIT AT LEAST \$6,000,000, IN THE MANNER REQUIRED UNDER SUBSECTION (G) OF THIS SECTION, INTO THE MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT FUND ESTABLISHED UNDER § 5-1403 OF THE ECONOMIC DEVELOPMENT ARTICLE;

in line 12, strike "**(6)**" and substitute "**(7)**"; and strike beginning with the colon in line 12 down through "**(II)**" in line 14.

AMENDMENT NO. 6

On page 11, in line 22, after "PROJECT" insert ", INCLUDING DOCUMENTATION DEMONSTRATING THAT THE APPLICANT HAS APPLIED FOR ALL CURRENT ELIGIBLE STATE AND FEDERAL GRANTS, REBATES, TAX CREDITS, LOAN GUARANTEES, OR OTHER PROGRAMS AVAILABLE TO OFFSET THE COST OF THE PROJECT OR PROVIDE TAX ADVANTAGES".

On page 12, in line 15, strike the second “AND”; in line 16, strike “(7)” and substitute “(8) A COMMITMENT THAT THE APPLICANT WILL:

(I) USE BEST EFFORTS TO APPLY FOR ALL ELIGIBLE STATE AND FEDERAL GRANTS, REBATES, TAX CREDITS, LOAN GUARANTEES, OR OTHER SIMILAR BENEFITS AS THOSE BENEFITS BECOME AVAILABLE; AND

(II) PASS ALONG TO RATEPAYERS, WITHOUT THE NEED FOR ANY SUBSEQUENT COMMISSION APPROVAL, 80% OF THE VALUE OF ANY STATE OR FEDERAL GRANTS, REBATES, TAX CREDITS, LOAN GUARANTEES, OR OTHER SIMILAR BENEFITS RECEIVED BY THE PROJECT AND NOT INCLUDED IN THE APPLICATION; AND

(9)”.

On page 12, strike beginning with “LONG-TERM” in line 21 down through “(III)” in line 23; in lines 25 and 27, strike “(IV)” and “(V)”, respectively, and substitute “(III)” and “(IV)”, respectively; and in line 28, strike “PRICES WITHIN MARYLAND” and substitute “PRICING”.

On page 13, strike in their entirety lines 1 through 6, inclusive; in line 7, strike “(IX)” and substitute “(VI)”; in line 9, after “NET” insert “ECONOMIC, ENVIRONMENTAL, AND HEALTH”; strike in their entirety lines 10 through 14, inclusive; in line 15, strike “(XI)” and substitute “(VII)”; in line 17, strike the second “AND”; after line 17, insert:

“(VIII) THE EXTENT TO WHICH AN APPLICANT’S PLAN PROVIDES FOR THE USE OF SKILLED LABOR, PARTICULARLY WITH REGARD TO THE CONSTRUCTION AND MANUFACTURING COMPONENTS OF THE PROJECT, THROUGH OUTREACH, HIRING, OR REFERRAL SYSTEMS THAT ARE AFFILIATED

WITH REGISTERED APPRENTICESHIP PROGRAMS AS DEFINED UNDER TITLE 11, SUBTITLE 4 OF THE LABOR AND EMPLOYMENT ARTICLE;

(IX) THE EXTENT TO WHICH AN APPLICANT’S PLAN PROVIDES FOR THE USE OF AN AGREEMENT DESIGNED TO ENSURE THE USE OF SKILLED LABOR AND TO PROMOTE THE PROMPT, EFFICIENT, AND SAFE COMPLETION OF THE PROJECT, PARTICULARLY WITH REGARD TO THE CONSTRUCTION, MANUFACTURING, AND MAINTENANCE OF THE PROJECT;

(X) THE EXTENT TO WHICH AN APPLICANT’S PLAN PROVIDES FOR COMPENSATION TO ITS EMPLOYEES AND SUBCONTRACTORS CONSISTENT WITH WAGES OUTLINED UNDER §§ 17-201 THROUGH 17-228 OF THE STATE FINANCE AND PROCUREMENT ARTICLE;

(XI) SITING AND PROJECT FEASIBILITY;

(XII) ESTIMATED ABILITY TO ASSIST IN MEETING THE STATE’S RENEWABLE ENERGY PORTFOLIO STANDARD UNDER § 7-703 OF THIS SUBTITLE; AND”;

and in line 18, strike “(XII)” and substitute “(XIII)”.

AMENDMENT NO. 7

On page 13, in line 27, after “NET” insert “ECONOMIC, ENVIRONMENTAL, AND HEALTH”.

On page 14, in line 10, after “(2)” insert “(I)”; and after line 12, insert:

“(II) WHEN CALCULATING THE PROJECTED NET AVERAGE RATE IMPACTS UNDER PARAGRAPH (1)(II) AND (III) OF THIS SUBSECTION, THE

(Over)

COMMISSION SHALL APPLY THE SAME NET OREC COST PER MEGAWATT-HOUR TO RESIDENTIAL AND NONRESIDENTIAL CUSTOMERS.

(3) (I) THIS PARAGRAPH SHALL REMAIN IN EFFECT UNTIL JUNE 30, 2016.

(II) THE FINDINGS AND EVIDENCE RELIED ON BY THE GENERAL ASSEMBLY FOR THE CONTINUATION OF THE MINORITY BUSINESS ENTERPRISE PROGRAM UNDER TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, AS ENACTED BY CHAPTER 253 OF THE ACTS OF 2011 AND CHAPTER _____ (H.B. 1370) OF THE ACTS OF 2012, ARE INCORPORATED IN THIS PARAGRAPH.

(III) TO THE EXTENT PRACTICABLE AND PERMITTED BY THE UNITED STATES CONSTITUTION, APPROVED APPLICANTS FOR A PROPOSED OFFSHORE WIND PROJECT SHALL COMPLY WITH THE STATE'S MINORITY BUSINESS ENTERPRISE PROGRAM.

(IV) 1. THE COMMISSION MAY NOT APPROVE AN APPLICATION UNTIL THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT, IN CONSULTATION WITH THE GOVERNOR'S OFFICE OF MINORITY AFFAIRS, THE OFFICE OF THE ATTORNEY GENERAL, AND THE APPLICANT, HAS ESTABLISHED A CLEAR PLAN FOR SETTING REASONABLE AND APPROPRIATE MINORITY BUSINESS ENTERPRISE PARTICIPATION GOALS AND PROCEDURES FOR EACH PHASE OF THE QUALIFIED OFFSHORE WIND PROJECT.

2. TO THE EXTENT PRACTICABLE, THE GOALS AND PROCEDURES SPECIFIED IN SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL BE BASED ON THE REQUIREMENTS OF TITLE 14, SUBTITLE 3 OF THE

STATE FINANCE AND PROCUREMENT ARTICLE AND THE REGULATIONS
IMPLEMENTING THAT SUBTITLE.

AMENDMENT NO. 8

On page 14, after line 31, insert:

“(G) (1) WITHIN 60 DAYS AFTER THE COMMISSION APPROVES THE APPLICATION OF A PROPOSED OFFSHORE WIND PROJECT, THE QUALIFIED OFFSHORE WIND PROJECT SHALL DEPOSIT \$2,000,000 INTO THE MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT FUND ESTABLISHED UNDER § 5-1403 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(2) WITHIN 1 YEAR AFTER THE INITIAL DEPOSIT UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE QUALIFIED OFFSHORE WIND PROJECT SHALL DEPOSIT AN ADDITIONAL \$2,000,000 INTO THE MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT FUND.

(3) WITHIN 2 YEARS AFTER THE INITIAL DEPOSIT UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE QUALIFIED OFFSHORE WIND PROJECT SHALL DEPOSIT AN ADDITIONAL \$2,000,000 INTO THE MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT FUND.”.

AMENDMENT NO. 9

On page 17, in line 12, after “F.” insert “EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION,”; and after line 14, insert:

“(3) FOR INDUSTRIAL PROCESS LOAD, THE COMPLIANCE FEE FOR EACH KILOWATT-HOUR OF SHORTFALL FROM REQUIRED TIER 1 RENEWABLE SOURCES IS:

(Over)

(I) 0.1 CENTS IN ANY YEAR DURING WHICH SUPPLIERS ARE REQUIRED TO PURCHASE ORECS UNDER § 7-704.2 OF THIS SUBTITLE; AND

(II) 0.0 CENTS FOR THE YEAR FOLLOWING ANY YEAR DURING WHICH, AFTER FINAL CALCULATIONS, THE NET OREC PRICE PER MEGAWATT-HOUR EXCEEDED \$1.65 IN 2012 DOLLARS.”.

AMENDMENT NO. 10

On page 19, after line 37, insert:

“Article – Economic Development

SUBTITLE 14. MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT FUND.

5-1401.

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

(B) “ADVISORY COMMITTEE” MEANS THE MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT ADVISORY COMMITTEE ESTABLISHED UNDER § 5-1402 OF THIS SUBTITLE.

(C) “EMERGING BUSINESS” MEANS A BUSINESS THAT IS AT LEAST 51% OWNED AND CONTROLLED BY AN INDIVIDUAL OR INDIVIDUALS WHO ARE CERTIFIED TO HAVE A PERSONAL NET WORTH, AS DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THAT DOES NOT EXCEED \$6,500,000 AS ADJUSTED ANNUALLY FOR INFLATION ACCORDING TO THE CONSUMER PRICE INDEX.

(D) "FUND" MEANS THE MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT FUND ESTABLISHED UNDER § 5-1403 OF THIS SUBTITLE.

(E) "MINORITY" MEANS AN INDIVIDUAL WHO IS A MEMBER OF ANY OF THE GROUPS DEFINED IN § 14-301 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

5-1402.

(A) THERE IS A MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT ADVISORY COMMITTEE.

(B) THE ADVISORY COMMITTEE SHALL MAKE RECOMMENDATIONS TO THE DEPARTMENT ON THE MOST EFFECTIVE MANNER TO USE MONEY IN THE FUND CONSISTENT WITH THE PURPOSE OF THE FUND.

(C) THE ADVISORY COMMITTEE CONSISTS OF THE FOLLOWING MEMBERS:

(1) ONE MEMBER OF THE SENATE OF MARYLAND, APPOINTED BY THE PRESIDENT OF THE SENATE;

(2) ONE MEMBER OF THE HOUSE OF DELEGATES, APPOINTED BY THE SPEAKER OF THE HOUSE;

(3) THE SECRETARY OR THE SECRETARY'S DESIGNEE;

(4) THE SPECIAL SECRETARY OF THE GOVERNOR'S OFFICE OF MINORITY AFFAIRS OR THE SPECIAL SECRETARY'S DESIGNEE;

(5) THE DIRECTOR OF THE MARYLAND ENERGY ADMINISTRATION, OR THE DIRECTOR'S DESIGNEE; AND

(6) THE FOLLOWING 11 MEMBERS APPOINTED BY THE GOVERNOR:

(I) ONE REPRESENTATIVE OF A PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE STATE;

(II) ONE REPRESENTATIVE OF A HISTORICALLY BLACK OR AFRICAN AMERICAN UNIVERSITY IN THE STATE;

(III) ONE REPRESENTATIVE OF THE STATE'S COMMUNITY COLLEGES;

(IV) ONE REPRESENTATIVE OF THE SMALL BUSINESS DEVELOPMENT CORPORATION;

(V) ONE REPRESENTATIVE OF THE MARYLAND BUSINESS COALITION FOR OFFSHORE WIND;

(VI) ONE REPRESENTATIVE OF A BUSINESS INCUBATOR IN THE STATE WITH EXPERIENCE IN PROVIDING SERVICES TO MINORITY BUSINESS ENTERPRISES AS DEFINED BY TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR TO EMERGING BUSINESSES, INCLUDING EMERGING BUSINESSES OWNED BY MINORITIES;

(VII) ONE INDIVIDUAL WITH EXPERIENCE IN PROVIDING BUSINESS FINANCING TO MINORITY BUSINESS ENTERPRISES AS DEFINED BY TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, OR TO EMERGING BUSINESSES, INCLUDING EMERGING BUSINESSES OWNED BY MINORITIES;

(VIII) ONE REPRESENTATIVE OF AN OFFSHORE WIND DEVELOPER;

(IX) ONE REPRESENTATIVE OF AN ORIGINAL EQUIPMENT MANUFACTURER;

(X) ONE INDIVIDUAL WHO IS A MINORITY BUSINESS ADVOCATE; AND

(XI) ONE INDIVIDUAL WITH EXPERIENCE IN OFFSHORE WIND SUPPLY CHAIN ISSUES.

(D) THE GOVERNOR SHALL APPOINT THE CHAIR OF THE ADVISORY COMMITTEE.

(E) THE DEPARTMENT SHALL PROVIDE STAFF FOR THE ADVISORY COMMITTEE.

(F) A MEMBER OF THE ADVISORY COMMITTEE:

(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER; BUT

(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

(G) (1) ON OR BEFORE DECEMBER 31, 2012, THE ADVISORY COMMITTEE SHALL PROVIDE WRITTEN RECOMMENDATIONS TO THE DEPARTMENT REGARDING THE MOST EFFECTIVE USE OF MONEY IN THE FUND IN ORDER TO MAXIMIZE OPPORTUNITIES FOR EMERGING BUSINESSES IN THE STATE, INCLUDING MINORITY-OWNED EMERGING BUSINESSES, TO PARTICIPATE IN THE OFFSHORE WIND INDUSTRY.

(2) IN MAKING A RECOMMENDATION UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE ADVISORY COMMITTEE SHALL CONSIDER OPPORTUNITIES TO MAXIMIZE LEVERAGING OPPORTUNITIES, MENTORING AND PROTEGE MODELS, INNOVATION CLUSTERS, EXISTING INCUBATOR AND BUSINESS DEVELOPMENT PROGRAMS, AND THE APPROPRIATE ROLE OF PARTNERSHIPS WITH THE STATE'S UNIVERSITIES AND COMMUNITY COLLEGES.

(3) ON OR BEFORE DECEMBER 31, 2014, THE ADVISORY COMMITTEE SHALL PROVIDE UPDATED RECOMMENDATIONS TO THE DEPARTMENT.

(H) ON COMPLETION AND SUBMISSION OF THE WRITTEN RECOMMENDATIONS REQUIRED UNDER SUBSECTION (G) OF THIS SECTION, THE ADVISORY COMMITTEE SHALL TERMINATE ITS OPERATION AND CEASE TO MEET.

(A) THERE IS A MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT FUND IN THE DEPARTMENT.

(B) THE PURPOSES OF THE FUND ARE TO:

(1) PROVIDE FINANCIAL AND BUSINESS DEVELOPMENT ASSISTANCE TO EMERGING BUSINESSES IN THE STATE, INCLUDING MINORITY-OWNED EMERGING BUSINESSES, TO PREPARE THOSE BUSINESSES TO PARTICIPATE IN THE EMERGING OFFSHORE WIND INDUSTRY; AND

(2) ENCOURAGE EMERGING BUSINESSES IN THE STATE, INCLUDING MINORITY-OWNED BUSINESSES, TO PARTICIPATE IN THE EMERGING OFFSHORE WIND INDUSTRY.

(C) THE DEPARTMENT MAY USE THE FUND TO:

(1) PROVIDE FINANCIAL AND BUSINESS DEVELOPMENT ASSISTANCE TO EMERGING BUSINESSES IN THE STATE, INCLUDING MINORITY-OWNED EMERGING BUSINESSES;

(2) CARRY OUT THE PURPOSES OF THE FUND; AND

(3) PAY THE COSTS OF IMPLEMENTING THIS SUBTITLE.

(D) THE SECRETARY SHALL MANAGE AND SUPERVISE THE FUND.

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

(Over)

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

(F) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY.

(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(G) THE FUND CONSISTS OF:

(1) MONEY APPROPRIATED BY THE STATE TO THE FUND;

(2) MONEY PAID TO THE FUND BY A QUALIFIED OFFSHORE WIND PROJECT UNDER § 7-704.1(G) OF THE PUBLIC UTILITIES ARTICLE;

(3) MONEY MADE AVAILABLE TO THE FUND THROUGH FEDERAL PROGRAMS OR PRIVATE CONTRIBUTIONS;

(4) REPAYMENT OF PRINCIPAL OR PAYMENT OF INTEREST ON A LOAN MADE FROM THE FUND;

(5) PROCEEDS FROM THE SALE, DISPOSITION, LEASE, OR RENTAL BY THE DEPARTMENT OF COLLATERAL RELATED TO FINANCING THAT THE DEPARTMENT PROVIDES UNDER THIS SUBTITLE;

(6) INVESTMENT EARNINGS OF THE FUND; AND

(7) ANY OTHER MONEY MADE AVAILABLE TO THE DEPARTMENT FOR THE FUND.

(H) (1) IN FISCAL YEARS 2013 AND 2014, \$1,500,000 SHALL BE TRANSFERRED FROM THE STRATEGIC ENERGY INVESTMENT FUND TO THE FUND.

(2) IN FISCAL YEAR 2015, \$1,000,000 SHALL BE TRANSFERRED FROM THE STRATEGIC ENERGY INVESTMENT FUND TO THE FUND.

5-1404.

(A) WHEN DETERMINING HOW MOST EFFECTIVELY TO USE THE MONEY IN THE FUND, THE DEPARTMENT SHALL CONSIDER THE RECOMMENDATION OF THE ADVISORY COMMITTEE.

(B) IN CARRYING OUT THIS SUBTITLE, AND CONSISTENT WITH THE PURPOSES OF THE FUND, THE DEPARTMENT MAY CONTRACT WITH:

(1) EXPERTS IN THE AREA OF OFFSHORE WIND ENERGY; AND

(2) ENTITIES EXPERIENCED IN ASSISTING EMERGING BUSINESSES, INCLUDING MINORITY-OWNED EMERGING BUSINESSES, IN ACCESSING MARKET OPPORTUNITIES.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, DIVISION II OF THE STATE FINANCE AND PROCUREMENT ARTICLE DOES NOT APPLY TO A SERVICE THAT THE DEPARTMENT OBTAINS UNDER THIS SECTION.

(Over)

(2) THE DEPARTMENT IS SUBJECT TO TITLE 12, SUBTITLE 4 OF THE STATE FINANCE AND PROCUREMENT ARTICLE FOR SERVICES UNDER THIS SECTION.

Article – State Finance and Procurement

6–226.

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

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

62. Veterans Trust Fund; [and]

63. Transportation Trust Fund; AND

64. MARYLAND OFFSHORE WIND BUSINESS DEVELOPMENT FUND.”.

AMENDMENT NO. 11

On page 19, in line 31, strike “A” and substitute “THE PUBLIC SERVICE COMMISSION MAY NOT APPROVE AN APPLICATION FOR A”; and in line 32, strike “MAY NOT” and substitute “TO”.

On page 20, in line 3, after “(A)” insert “**(1)**”; in line 4, strike the colon and substitute a period; and in lines 5 and 7, strike “(1)” and “(2)”, respectively, and substitute “**(2)**” and “**(3)**”, respectively.

On page 22, in line 26, strike “for fiscal years 2013 through 2016 only,”.

On page 23, in line 7, after “Article,” insert “as enacted by this Act.”; after line 21, insert:

“SECTION 6. AND BE IT FURTHER ENACTED, That on receipt of all applications submitted under § 7-704.1 of the Public Utilities Article, as enacted by this Act, the Commission shall promptly open an evidentiary proceeding to allow open and transparent evaluation of applications to the maximum extent possible consistent with applicable confidentiality laws.”;

and in line 22, strike “6.” and substitute “7.”.