MARYLAND
CLEAN ENERGY CENTER

July 25, 2023

Greenhouse Gas Reduction Fund Team:

The Maryland Clean Energy Center (MCEC) is applying to the Solar for All Funding Opportunity Announcement as a statewide coalition (throughout Maryland). MCEC will serve as the lead applicant. We are currently working to gather together our coalition partners and will include that information with our application.

The Maryland Clean Energy Center is an instrumentality of the State of Maryland, with a mission to advance the adoption of clean energy and climate impact mitigation technologies and services. MCEC is focused on providing access to capital and technical assistance to enable access to related solutions for LMI households and communities.

The MCEC Solar for All Grant proposal will be developed in keeping with EPA program goals and objectives and align with those contained in the Maryland Climate Commission's recommended actions to reduce GHG emissions, and the enabling statute passed by the Maryland General Assembly signed into law in 2008.

MCEC also acts as the Green Bank statewide and has leveraged over $183.6M in private capital against $13.3M in public funds to help reduce greenhouse gas emissions, conserve energy and reduce energy costs for residents, business owners, municipalities, and institutions.

Please see the attached Statute, IRS and Letter of Good Standing information to support our program eligibility.

We will be submitting an Award Option #1 application for Maryland as a state entity and will be requesting $400,000,000 in EPA funding.

Thank you for your consideration of our Notice of Intent.

Sincerely,

I. Katherine Magruder
Executive Director

5000 College Avenue • Suite 31010 • College Park, MD 20740 • Phone: 301-314-6061 • www.mdcleanenergy.org

MARYLAND CLEAN ENERGY CENTER.
PART I. GENERAL PROVISIONS.
§ 10–801. Definitions.

(a) In this subtitle the following words have the meanings indicated.

(b) "Administration" means the Maryland Energy Administration.

(c) "Board" means the Board of Directors of the Center.

(d) (1) "Bond" means a bond issued by the Center under this subtitle.

(2) "Bond" includes a revenue bond, a revenue refunding bond, a note, and any other obligation, whether a general or limited obligation of the Center.

(e) "Center" means the Maryland Clean Energy Center.

(f) "Clean energy" includes:

(1) solar photovoltaic technology;

(2) solar heating;

(3) geothermal;

(4) wind;

(5) biofuels;

(6) ethanol;

(7) other qualifying biomass as defined in § 7–701 of the Public Utilities Article;

(8) ocean, including energy from waves, tides, currents, and thermal differences;

(9) a fuel cell that produces energy from biofuels, ethanol, or other qualifying biomass;

(10) energy efficiency and conservation;

(11) any other technology or service that the Center determines will contribute directly or indirectly to the production of energy from renewable or sustainable sources, or to the improvement of efficiency in the use of energy; and

(12) deployment of any of the technologies or services listed in items (1) through (11) of this subsection.

(g) "Cost", with respect to a project financed under this subtitle, includes:

(1) the purchase price of a project;

(2) the cost to acquire any right, title, or interest in a project;

(3) the cost of any improvement;

(4) the cost of any property, right, easement, and franchise;

(5) the cost of demolition, removal, or relocation of structures;

(6) the cost of acquiring land to which the structures may be moved;

(7) the cost of equipment;

(8) financing charges;

(9) interest before and during construction and, if the Center determines, for a limited period after the completion of construction;

(10) reserves for principal and interest and for improvements;

(11) the cost of revenue and cost estimates, architectural, engineering, financial, and legal services, plans, specifications, studies, surveys, and other expenses necessary or incident to determining the feasibility of improving a project; and

(12) other expenses as necessary or incident to:

(i) financing a project;

(ii) acquiring and improving a project; and

(iii) placing a project in operation.

(h) "Director" means the Director of the Administration.

(i) "Executive Director" means the Executive Director of the Maryland Clean Energy Center.

(j) "Finance" includes refinance.

(k) "Governmental unit" means:

(1) a county;

(2) a municipal corporation;

(3) a State unit;

(4) a local unit; or

(5) any other public body or unit established in accordance with a State or local law, ordinance, or resolution.

(l) "Improve" means to add, alter, construct, equip, expand, extend, improve, install, reconstruct, rehabilitate, remodel, or repair.

(m) "Improvement" means addition, alteration, construction, equipping, expansion, extension, improvement, installation, reconstruction, rehabilitation, remodeling, or repair.

(n) (1) "Project" means any property, the acquisition or improvement of which the Board, in its sole discretion, determines by resolution will accomplish at least one of the purposes listed in § 10–802(b) of this subtitle, whether or not the property:

(i) is or will be used or operated for profit or nonprofit;

(ii) is or will be located on a single site or multiple sites; or

(iii) may be financed by bonds, the interest on which is exempt from income taxation under federal law.

(2) "Project" includes:

(i) land or an interest in land;

(ii) structures, equipment, furnishings, rail or motor vehicles, barges, and boats;

(iii) property and rights related to property, appurtenances, rights–of–way, franchises, and easements;

(iv) property that is functionally related and subordinate to a project; and

(v) patents, licenses, and other rights necessary or useful in the improvement or operation of a project.

(o) (1) "Revenues" means the income, revenue, and other money the Center receives from or in connection with a project, and all other income of the Center.

(2) "Revenues" includes grants, rentals, rates, fees, and charges for the use of the services furnished or available.

(p) (1) "Trust agreement" means an agreement entered into by the Center to secure a bond.

(2) "Trust agreement" may include a bond contract, bond resolution, or other contract with or for the benefit of a bondholder.

§ 10–802. Legislative Findings.

(a) The General Assembly finds that:

(1) the United States as a whole, and the State in particular, are facing increased energy costs based on many factors, including rising fuel costs, limited investment in generation and transmission facilities, and a complex combination of market–based and other regulatory mechanisms that balance environmental, economic, health, and welfare interests;

(2) continued exclusive reliance on traditional forms of electricity supply entrenches the State's dependence on fossil fuels, working against the State's policy of decreasing greenhouse gas production, as evidenced by the State's accession to the Regional Greenhouse Gas Initiative;

(3) "clean energy", a broad term that includes a wide and varied mixture of strategies and techniques to produce useful energy from renewable and sustainable sources in a manner that minimizes fossil fuel use and harmful emissions, and to increase the efficient use of energy derived from all sources, offers many different opportunities for residents of the State to succeed in entrepreneurial and other commercial activity, to the overall economic and environmental benefit of the entire State, as measured in improved air and water quality, moderated energy expenditures, and increased State and local tax receipts;

(4) many individuals and businesses in the State possess talents and interest in the clean energy technology sector, which may form the basis for encouraging development and deployment of sustainable and renewable energy technologies in the State, the nation, and the world;

(5) the State will benefit from a targeted effort to establish and incubate clean energy industries in the State, including financial assistance, information sharing, and technical support for entrepreneurs in the manufacture and installation of clean energy technology; and

(6) it is in the public interest to establish a public corporation to undertake the tasks of promoting clean energy industries in the State, developing incubators for those industries, providing financial assistance, and also providing information sharing and technical assistance.

(b) The purposes of this subtitle are to:

(1) encourage the development of clean energy industries in the State;

(2) encourage the deployment of clean energy technologies in the State;

(3) help retain and attract business activity and commerce in the clean energy technology industry sector in the State;

(4) promote economic development; and

(5) promote the health, safety, and welfare of residents of the State.

(c) The General Assembly intends that:

(1) the Center operate and exercise its corporate powers in all areas of the State;

(2) without limiting its authority to otherwise exercise its corporate powers, the Center exercise its corporate powers to assist governmental units and State and local economic development agencies to contribute to the expansion, modernization, and retention of existing enterprises in the State as well as the attraction of new business to the State;

(3) the Center cooperate with private industries and local governments in maximizing new economic opportunities for residents of the State; and

(4) the Center accomplish at least one of the purposes listed in subsection (b) of this section and complement existing State marketing and financial assistance programs by:

(i) owning projects;

(ii) leasing projects to other persons; or

(iii) lending the proceeds of bonds to other persons to finance the costs of acquiring or improving projects that the persons own or will own.

§ 10–803. Construction.

(a) This subtitle shall be liberally construed to carry out its purposes.

(b) This subtitle may not be construed to limit or restrict the duties, programs, or authority of the Maryland Energy Administration.

§§ 10–804, 10–805. Reserved.

PART II. MARYLAND CLEAN ENERGY CENTER.
§ 10–806. Maryland Clean Energy Center Established.

(a) There is a Maryland Clean Energy Center.

(b) The Center is a body politic and corporate and is an instrumentality of the State.

(c) The exercise by the Center of the powers conferred by this subtitle is the performance of an essential governmental function.

(d) The purposes of the Center are to:

(1) promote economic development and jobs in the clean energy industry sector in the State;

(2) promote the deployment of clean energy technology in the State;

(3) serve as an incubator for the development of clean energy industry in the State;

(4) in collaboration with the Administration, collect, analyze, and disseminate industry data; and

(5) provide outreach and technical support to further the clean energy industry in the State.

(e) It is the intent of the General Assembly that, as the Center develops programs and activities under this subtitle, the Center and the Administration shall work collaboratively together, as appropriate, in order to coordinate shared–interest functions and avoid duplication of efforts.

§ 10–807. Board of Directors.

(a) A Board of Directors shall manage the Center and exercise its corporate powers.

(b) The Board consists of the following nine members:

(1) the Director, or the Director's designee; and

(2) eight members appointed by the Governor with the advice and consent of the Senate:

(i) two representing the nonprofit clean energy research sector of the State;

(ii) two with expertise in venture capital financing;

(iii) two representing clean energy industries in the State;

(iv) one consumer member; and

(v) one member of the general public.

(c) A member of the Board shall reside in the State.

(d) In making appointments to the Board, the Governor shall consider:

(1) diversity; and

(2) all geographic regions of the State.

(e) A member of the Board:

(1) may not receive compensation as a member of the Board; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) (1) The term of an appointed member is 4 years and begins on July 1.

(2) The terms of the appointed members are staggered as required by the terms provided for members on October 1, 2008.

(3) At the end of a term, an appointed member continues to serve until a successor is appointed and qualifies.

(4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(g) The Governor may remove an appointed member for incompetence, misconduct, or failure to perform the duties of the position.

§ 10–808. Officers.

From among the members of the Board:

(1) the Governor shall appoint a chair; and

(2) the Board shall elect a vice chair and a treasurer.

§ 10–809. Meetings.

(a) The Board shall determine the times and places of its meetings.

(b) (1) A majority of the appointed and qualified members of the Board is a quorum.

(2) The Board may act with an affirmative vote of a majority of the appointed and qualified members of the Board.

§ 10–810. Advisory Committee Established.

(a) (1) The Board shall establish an Advisory Committee.

(2) The Advisory Committee consists of individuals that the Board considers will assist the Center in studying and developing policies to further the purposes of this subtitle.

(b) (1) The Board shall establish a Financing Investment Advisory Committee.

(2) The Financing Investment Advisory Committee consists of individuals with knowledge and expertise in financing matters relevant to borrower eligibility, terms and conditions of support, and other financing evaluation criteria of the Center.

(3) Before the Center provides financing for a project, including a project to be funded by the Maryland Energy Innovation Fund under § 10–835 of this subtitle, the Financing Investment Advisory Committee shall review and make recommendations to the Board for qualifying project applicants.

(4) The Maryland Economic Development Corporation and other State economic development units may provide resources and expertise to the Financing Investment Advisory Committee and the Center to assist in evaluating projects, coordinating financing for projects, and other matters.

(c) The Board may establish other committees as appropriate.

(d) (1) The membership of a committee may include individuals who are not Board members.

(2) The Board may establish the term and manner of selection of the membership of a committee.

§ 10–811. Executive Director.

(a) (1) Subject to the approval of the Governor, the Board shall appoint an Executive Director.

(2) The Executive Director serves at the pleasure of the Board.

(3) The Board shall determine the salary of the Executive Director.

(b) (1) The Executive Director is the chief administrative officer of the Center.

(2) The Executive Director shall manage the administrative affairs and technical activities of the Center in accordance with policies and procedures that the Board establishes.

(c) The Executive Director, or the Executive Director's designee, shall:

(1) attend all meetings of the Board;

(2) act as secretary to the Board;

(3) keep minutes of all proceedings of the Board;

(4) approve all salaries, per diem payments, and allowable expenses of the Center, its employees, and its consultants;

(5) approve any expenses incidental to the operation of the Center; and

(6) perform the other duties that the Board directs in carrying out this subtitle.

§ 10–812. Legal Counsel – Attorney General.

(a) The Attorney General is the legal advisor to the Center.

(b) With the approval of the Attorney General, the Center may retain any necessary lawyers.

§ 10–813. Consultants.

The Center may retain any necessary accountants, engineers, financial advisors, or other consultants.

§ 10–814. Center Exemptions.

(a) Except as provided in subsections (b), (c), and (e) of this section, the Center is exempt from:

(1) Title 10 and Division II of the State Finance and Procurement Article; and

(2) §§ 3–301 and 3–303 of the General Provisions Article.

(b) The Center is subject to the Public Information Act.

(c) The Board and the officers and employees of the Center are subject to the Public Ethics Law.

(d) The officers and employees of the Center are not subject to the provisions of Division I of the State Personnel and Pensions Article that govern the State Personnel Management System.

(e) The Center, its Board, and employees are subject to Title 12, Subtitle 4 and Title 14, Subtitle 3 of the State Finance and Procurement Article.

(f) The Center is a public body under Title 5, Subtitle 4 of this article, the Maryland Industrial Development Financing Authority Act, for purposes of applying for, receiving, and making agreements in connection with:

(1) a loan;

(2) a grant;

(3) insurance; or

(4) any other form of financial assistance.

§ 10–815. Findings by Board of Directors.

A finding by the Board concerning the public purpose of an action, the legislative intent expressed under this subtitle, or the appropriateness of the action in serving the public purpose and satisfying the legislative intent is conclusive in a proceeding that involves the validity or enforceability of:

(1) an agreement entered into by the Center under this subtitle;

(2) a bond; or

(3) any security relating to a bond.

§ 10–816. Center Finances; Fiscal Year.

(a) The Center shall establish a system of financial accounting, controls, audits, and reports.

(b) The fiscal year of the Center begins on July 1 and ends on the following June 30.

§ 10–817. Center Accounts.

(a) The Center may create and administer the accounts that it requires.

(b) The Center shall deposit its money into a State or national bank or a federally insured savings and loan association that has a total paid–in capital of at least $1,000,000.

(c) The Center may designate the trust department of a State bank, national bank, or savings and loan association as a depository to receive securities that the Center owns or acquires.

(d) Unless an agreement or covenant between the Center and the holders of its obligations limits classes of investments, the Center may invest its money in bonds or other obligations of, or guaranteed as to principal and interest by, the United States, the State, or a governmental unit.

§ 10–818. Public Records.

(a) (1) The Executive Director and each other officer authorized by the Center may:

(i) allow copies to be made of the minutes and records of the Center; and

(ii) certify records under seal showing that the copies are true copies.

(2) A person may rely on the certified record.

(b) The records of the Center are public records subject to reasonable inspection.

§ 10–819. Powers of Center.

The Center may:

(1) adopt bylaws for the conduct of its business;

(2) adopt a seal;

(3) maintain offices at a place it designates in the State;

(4) accept loans, grants, or assistance of any kind from the federal or State government, a local government, a college or university, or a private source;

(5) enter into contracts and other legal instruments;

(6) sue or be sued;

(7) acquire, purchase, hold, lease as lessee, and use:

(i) a franchise, patent, or license;

(ii) any real, personal, mixed, tangible, or intangible property; or

(iii) an interest in the property listed in this item;

(8) sell, lease as lessor, transfer, license, assign, or dispose of property or a property interest that it acquires;

(9) fix and collect rates, rentals, fees, royalties, and charges for services and resources it provides or makes available;

(10) create, own, control, or be a member of a corporation, limited liability company, partnership, or other entity, whether operated for profit or nonprofit;

(11) exercise power usually possessed by a private corporation in performing similar functions unless to do so would conflict with State law; and

(12) do all things necessary or convenient to carry out the powers granted by this subtitle.

§ 10–820. Grants; Equity Investments - Financing.

The Center may make grants to or provide equity investment financing for clean energy technology–based businesses.

§ 10–821. Powers – Projects.

The Center may:

(1) acquire, develop, improve, manage, market, license, sublicense, maintain, lease as lessor or lessee, or operate a project in the State to carry out its purposes;

(2) acquire, directly or indirectly, from a person or governmental unit, by purchase, gift, or devise any property, rights–of–way, franchises, easements, or other interests in land, including submerged land and riparian rights:

(i) as necessary or convenient to improve or operate a project to carry out its purposes; and

(ii) on the terms and at the prices that it considers reasonable; and

(3) enter into a project with a manufacturer to carry out its purposes.

§ 10–822. Powers – Borrowing Money and Issuing Bonds.

The Center may:

(1) borrow money and issue bonds to finance any part of the cost of a project or for any other corporate purpose of the Center;

(2) secure the payment of any portion of the borrowing by pledge of or mortgage or deed of trust on property or revenues of the Center;

(3) combine projects for financing, make agreements with or for the benefit of the bondholders or with others in connection with the issuance or future issuance of bonds, as the Center considers advisable; and

(4) otherwise provide for the security of bonds and the rights of bondholders.

§ 10–823. Center's Duties - Clearinghouse for Information.

(a) The Center may disseminate information and materials pertinent to clean energy technology, financing, and development in the State, for persons engaged in the clean energy industry as developers, manufacturers, and installers, as well as for consumers and financial institutions, including information on available federal, State, and private financial assistance and technical assistance.

(b) The Center may:

(1) cooperate with and provide assistance to local governments, instrumentalities, and research entities in the State; and

(2) coordinate clean energy technology development, education, and deployment activities with programs of the federal government and of governmental units and public and private entities in and outside the State.

(c) The Center may conduct the activities under this section in consultation with the Administration.

(d) The Maryland Environmental Service, the Maryland Economic Development Corporation, and other State economic development units shall cooperate with the Center and may make available to the Center resources and expertise for the evaluation of project financing and coordination of financing between the Center and other economic development units.

§ 10–824. Tax Exemptions.

The Center is exempt from State and local taxes.

§ 10–825. Audit.

(a) The books and records of the Center are subject to audit:

(1) at any time by the State; and

(2) each year by an independent auditor.

(b) The Center shall publish its annual audits on its Web site.

§ 10–826. Annual Report.

(a) On or before October 1 of each year, the Center shall report to the Governor, the Administration, and, in accordance with § 2–1257 of the State Government Article, the General Assembly.

(b) The report shall include a complete operating and financial statement covering the Center's operations and a summary of the Center's activities during the preceding fiscal year.

§ 10–827. Reserved.

PART III. MARYLAND ENERGY INNOVATION INSTITUTE.E
§ 10–828. Definitions.

(a) In this part the following words have the meanings indicated.

(b) "Academic institution" means a public senior higher education institution or an independent institution of higher education in the State, as those terms are defined in § 10–101 of the Education Article.

(c) "Fund" means the Maryland Energy Innovation Fund.

(d) "Institute" means the Maryland Energy Innovation Institute.

(e) "Institute Board" means the Advisory Board of the Maryland Energy Innovation Institute.

(f) "Institute Director" means the Director of the Maryland Energy Innovation Institute.

§ 10–829. Institute Established.

(a) There is a Maryland Energy Innovation Institute.

(b) The Institute is a part of the A. James Clark School of Engineering of the University of Maryland.

(c) The A. James Clark School of Engineering shall manage the Institute according to the policies of the University of Maryland and the University System of Maryland with the advice of the Institute Board.

(d) The purposes of the Institute are to:

(1) collaborate with academic institutions in the State to participate in clean energy programs; and

(2) develop and attract private investment in clean energy innovation and commercialization in the State.

(e) The exercise by the Institute of the powers conferred by this part is the performance of an essential governmental function.

§ 10–830. Establishment and Composition of Board.

(a) (1) There is an Advisory Board of the Institute.

(2) The Institute Board advises the University of Maryland on the management of the Institute.

(b) The Institute Board consists of the following nine members:

(1) the chair of the Board of Directors of the Maryland Clean Energy Center;

(2) the Director; and

(3) seven members selected by the University of Maryland based on expertise in energy technology commercialization, the clean energy industry, venture capital financing, and energy research.

(c) A member of the Institute Board:

(1) may not receive compensation as a member of the Institute Board; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(d) From among its members, the Institute Board shall elect a chair and a vice chair.

§ 10–831. Meetings.

(a) The Institute Board shall determine the times and places of its meetings.

(b) (1) Seven members of the Institute Board are a quorum.

(2) The Institute Board may act with an affirmative vote of five members.

§ 10–832. Director.

(a) (1) The Director of the University of Maryland Energy Research Center, a University of Maryland faculty member, shall be the Director of the Institute.

(2) The Institute Director shall appoint an Associate Director who shall be a University of Maryland faculty member.

(b) The Institute Director, or the Institute Director's designee, shall:

(1) attend all meetings of the Institute Board;

(2) act as secretary to the Institute Board;

(3) keep minutes of all proceedings of the Institute Board;

(4) approve all salaries, per diem payments, and allowable expenses of the Institute, its employees, and its consultants;

(5) approve any expenses incidental to the operation of the Institute; and

(6) perform the other duties the Institute Board directs in carrying out this part.

§ 10–833. Consultants.

The Institute may retain any staff or consultants.

§ 10–834. Powers of Institute.

The Institute may:

(1) maintain offices at the University of Maryland, College Park;

(2) coordinate and promote energy research and education at the University of Maryland, College Park, including its relevant energy centers, as well as at other academic institutions;

(3) provide energy policy innovation advice to State and federal units;

(4) collaborate with other academic institutions, governmental units, foundations, and industrial companies for clean energy research and innovation;

(5) pursue grants, other funds, and in–kind contributions for clean energy research and innovation;

(6) provide seed grant funding to academic institution–based entrepreneurs or entities, in order to promote the commercialization of clean energy technologies developed wholly or partly by an academic institution, but not duplicate existing seed grants made through the Maryland Technology Development Corporation;

(7) work with the Maryland Technology Enterprise Institute to jointly manage, operate, and maintain facilities for a clean energy incubator at the University of Maryland, College Park;

(8) work with the Maryland Technology Enterprise Institute to expand Maryland Industrial Partnership Awards to promote the commercialization of clean energy technologies developed wholly or partly by an academic institution;

(9) work with the Maryland Technology Enterprise Institute and the University of Maryland Office of Technology Commercialization to:

(i) identify energy technologies at academic institutions that may be viable for commercialization; and

(ii) provide grant funding and investment financing to cover patent, facilities, and other costs not allowed under federal or state research grants to an academic institution–based entrepreneur or entity, in order to promote the commercialization of clean energy technologies developed wholly or partly by an academic institution;

(10) coordinate incubation and potential financing of academic institution–based entrepreneurs or entities with resources provided by the Center;

(11) work closely with State units, industrial partners, nongovernmental organizations, and federal agencies and laboratories to ensure effective implementation and execution of the State's energy mission and vision, in collaboration with the Administration;

(12) undergo periodic reviews every 5 years consistent with University System of Maryland policies; and

(13) do all things necessary or convenient to carry out the powers granted by this part.

§ 10–835. Maryland Energy Innovation Fund.

(a) (1) There is a Maryland Energy Innovation Fund in the University System of Maryland.

(2) The Fund shall be used by the Institute and the Center.

(b) (1) The Institute:

(i) may use the Fund to:

1. carry out the purposes of this subtitle, including the purposes listed in § 10–834 of this subtitle;

2. purchase advisory services and technical assistance to better support economic development; and

3. pay the administrative, legal, and actuarial expenses of the Institute; and

(ii) shall use the Fund for the administrative and operating costs of the Center.

(2) The Center may use the Fund to:

(i) make a grant or a loan under this subtitle, at the rate of interest the Center sets;

(ii) provide equity investment financing for a business enterprise under this subtitle; and

(iii) guarantee a loan, an equity, an investment, or any other private financing to expand the capital resources of a business enterprise under this subtitle.

(c) The Institute shall manage and supervise the Fund.

(d) (1) The Fund is a special, nonlapsing revolving fund that is not subject to reversion under § 7–302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(e) The Fund consists of:

(1) money appropriated by the State to the Fund;

(2) money contributed to the Fund through federal programs or private entities;

(3) repayment of principal of a loan made from the Fund;

(4) payment of interest on a loan made from the Fund;

(5) proceeds from the sale, disposition, lease, or rental by the Center of collateral related to financing that the Center provides from the Fund;

(6) premiums, fees, royalties, interest, repayments of principal, and returns on investments paid to the Center by or on behalf of:

(i) a business enterprise in which the Center has made an investment from the Fund; or

(ii) an investor providing an investment guaranteed by the Center from the Fund;

(7) recovery of an investment made by the Center in a business enterprise from the Fund, including an arrangement under which the Center's investment in the business enterprise is recovered through:

(i) a requirement that the Fund receive a proportion of cash flow, commission, royalty, or payment on a patent; or

(ii) the repurchase from the Center of any evidence of indebtedness or other financial participation made from the Fund, including a note, stock, bond, or debenture;

(8) repayment of a conditional grant extended by the Center from the Fund; and

(9) any other money made available to the Institute for the Fund.

(f) (1) The State Treasurer shall invest the money in the same manner as other State money may be invested.

(2) Any interest earnings of the Fund shall be credited to the Fund.

(g) Money expended from the Fund under this subtitle is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for the Center, the Institute, or any part of the University System of Maryland.

§ 10–836. Tax Exemptions.

The Institute is exempt from State and local taxes.

§ 10–837. Audit.

The books and records of the Institute are subject to audit:

(1) at any time by the State; and

(2) each year by an independent auditor that the Office of Legislative Audits approves.

§ 10–838. Independent Entities.

The Institute and the Center are independent entities that are not liable or responsible for each other's debts, liabilities, bonds, or obligations.

§ 10–839. Annual Report.

(a) On or before October 1 each year, the Institute shall report to the Governor, the Administration, and, in accordance with § 2–1257 of the State Government Article, the General Assembly.

(b) The report shall include a complete operating and financial statement covering the Institute's operations and a summary of the Institute's activities during the preceding fiscal year.

§ 10–840. Powers; Issuance of Bonds.

(a) (1) The Center may periodically:

(i) issue bonds for any corporate purpose, including operating expenses;

(ii) refund those bonds;

(iii) purchase its bonds with any funds available; and

(iv) hold, pledge, cancel, or resell bonds.

(2) By resolution, the Board may authorize the chair, vice chair, one of its members, or a committee of its members to determine, provide for, or approve any matters relating to bonds that the Board considers appropriate including:

(i) specifying, determining, prescribing, and approving matters, documents, and procedures that relate to the authorization, sale, security, issuance, delivery, and payment of and for the bonds;

(ii) creating security for the bonds;

(iii) providing for the administration of bond issues; and

(iv) taking other actions it considers appropriate concerning the bonds.

(3) The power granted in paragraph (2) of this subsection is in addition to powers conferred on the Board by this subtitle and does not limit any power of the Board under this subtitle.

(4) (i) Subject to subparagraph (ii) of this paragraph, the Board may authorize the Executive Director to take any of the actions described in paragraph (2) of this subsection.

(ii) If the Board authorizes the Executive Director to take any of the actions described in paragraph (2) of this subsection, the Board shall prescribe limits within which the Executive Director may exercise discretion.

(b) (1) Except as otherwise provided by the Center, each issue of its bonds is a general obligation of the Center payable from any revenues or moneys of the Center that are available and not otherwise pledged.

(2) The provisions of paragraph (1) of this subsection are subject to any agreements with:

(i) holders of particular bonds pledging any particular revenues or moneys; and

(ii) any participating institution.

(c) For each issue of its bonds, the Center shall pass a resolution that:

(1) specifies and describes the project for which the proceeds of the bond issuance are intended;

(2) generally describes the public purpose and the financing transaction to be accomplished;

(3) specifies the maximum principal amount of the bonds that may be issued by the Center; and

(4) imposes any terms or conditions on the issuance and sale of the bonds that the Center considers appropriate.

(d) Subject to any provision for their registration, bonds are negotiable instruments for all purposes regardless of whether they are payable from a special fund.

(e) (1) The bonds may be:

(i) serial bonds;

(ii) term bonds; or

(iii) both in the discretion of the Center.

(2) Subject to any delegation under subsection (a)(2) of this section, the resolution authorizing bonds may provide:

(i) the dates of the bonds;

(ii) the maturity dates of the bonds;

(iii) the interest rates on the bonds;

(iv) the time at which the bonds will be payable;

(v) the denominations of the bonds;

(vi) whether the bonds will be in a coupon or registered form;

(vii) any registration privileges of the bonds;

(viii) the manner of execution of the bonds;

(ix) the place at which the bonds will be payable; and

(x) any terms of redemption of the bonds.

(3) The bonds shall mature within a period not to exceed 50 years after their date.

(4) The bonds shall be payable in United States currency.

(f) The bonds may be sold by competitive or negotiated sale at a price determined by the Center.

(g) Pending preparation of the definitive bonds, the Center may issue interim receipts or certificates that will be exchanged for definitive bonds.

(h) (1) A trust agreement authorizing bonds may contain provisions that are part of the contract with the bondholders.

(2) The provisions may include:

(i) pledging the following to secure payment of bonds, subject to any existing agreements with bondholders:

1. the full faith and credit of the Center;

2. the full faith and credit of a participating institution;

3. revenues of a project;

4. a revenue–producing contract the Center has made with a person or public entity; or

5. the proceeds of the sale of bonds;

(ii) the rentals, fees, and other charges, the amounts to be raised in each year, and the use and disposition of the revenues;

(iii) the setting aside of reserves and sinking funds and their disposition;

(iv) limits on the right of the Center or its agents to restrict and regulate the use of a project;

(v) limits on the purpose to which the proceeds of sale of bonds may be applied;

(vi) limits on issuing additional bonds, the terms under which additional bonds may be issued and secured, and refunding outstanding bonds;

(vii) the procedure to amend or abrogate the terms of a contract with bondholders and the requirements for consent;

(viii) limits on the amount of project revenues to be expended for operating, administrative, or other expenses of the Center;

(ix) the acts or omissions that constitute default by the Center and the rights and remedies of the bondholders in the event of a default;

(x) the conveyance or mortgaging of a project and its site to secure the bondholders; and

(xi) creation and disposition of a collateral fund, instead of conveyance or mortgage, for the purpose of securing the bondholders.

(i) The members of the Board and a person executing the bonds may not be held liable personally on the bonds.

§ 10–841. Provisions for Trust Agreement.

(a) The Center may secure bonds by a trust agreement.

(b) The corporate trustee under a trust agreement may be a trust company or a bank that has the powers of a trust company in or outside the State.

(c) In addition to the provisions described in § 10–840(h) of this subtitle, the trust agreement may contain:

(1) either:

(i) a provision conveying or mortgaging all or a portion of the project; or

(ii) a provision creating a collateral account;

(2) other provisions that the Center considers reasonable and proper for the security of bondholders; and

(3) a provision that restricts the individual right of action by bondholders.

(d) An expense incurred in carrying out the trust agreement or a resolution may be treated as part of the cost of the operation of a project.

§ 10–842. Bonds Issued are Securities.

Bonds are securities:

(1) in which any of the following persons may legally and properly invest money, including capital that the person owns or controls:

(i) an officer or unit of the State or a political subdivision;

(ii) a bank, trust company, savings and loan association, investment company, or other person conducting a banking business;

(iii) an insurance company, insurance association, or other person conducting an insurance business;

(iv) a personal representative, guardian, trustee, or other fiduciary; and

(v) any other person; and

(2) that may be deposited with and received by a unit of the State or a political subdivision for any purpose for which the deposit of bonds or obligations of the State is authorized by law.

§ 10–843. Bond – Liability; Pledge of Faith and Credit.

(a) A bond:

(1) is not:

(i) a debt or liability of the State or a political subdivision of the State; or

(ii) a pledge of the faith and credit of the State or a political subdivision of the State; and

(2) is payable solely from money available in accordance with this subtitle.

(b) Each bond shall state on its face that:

(1) the State and its political subdivisions are not obliged to pay the bond or the interest on the bond except from revenues of the project or the portion of the project for which the bond is issued; and

(2) the faith, credit, and taxing power of the State and its political subdivisions are not pledged to pay the principal of or the interest on the bond.

(c) The issuance of bonds does not directly, indirectly, or contingently obligate the State or its political subdivisions:

(1) to levy or pledge a tax to pay the bonds; or

(2) to make an appropriation to pay the bonds.

(d) This section does not prevent the Center from pledging its full faith and credit to pay bonds.

§ 10–844. Rates; Rents; Fees; Charges.

(a) The Center may:

(1) fix and collect rates, rents, fees, and charges for the use of a project and for the services furnished or to be furnished by a project; and

(2) contract with a person or governmental entity to exercise its authority under this section.

(b) The rates, rents, fees, and charges established by the Center under this section shall be fixed and adjusted so that the aggregate amount of the rates, rents, fees, and charges from the project, when added to other available money, is sufficient to:

(1) pay for maintaining, repairing, and operating the project;

(2) pay the principal of and the interest on the bonds that the Center issued for the project as they become due and payable; and

(3) create and maintain reserves required or provided for in a trust agreement.

(c) The rates, rents, fees, and charges established by the Center under this section are not subject to supervision or regulation by any unit of the State other than the Center.

§ 10–845. Pledge.

(a) (1) Any pledge of revenues and other money under § 10–840(h) of this subtitle is valid and binding from the time the pledge is made.

(2) (i) The revenue or money that the Center pledges and receives is subject immediately to the lien of the pledge.

(ii) Neither physical delivery of the revenue or money nor any other act is required to validate the lien.

(3) The lien of the pledge is valid and binding against each party with a claim against the Center in tort, contract, or otherwise, regardless of whether the party has notice of the lien.

(b) The trust agreement and any other agreement or lease creating a pledge under this section need not be filed or recorded, except in the records of the Center.

§ 10–846. Proceeds and Revenues.

(a) Proceeds from the sale of bonds and other revenues received under this subtitle are trust funds to be held and applied solely as provided in this subtitle.

(b) (1) Each officer, bank, or trust company that receives money from the Center under this subtitle shall act as trustee of the money and shall hold and apply the money for the purposes specified under this subtitle.

(2) The officer, bank, or trust company holding money is subject to:

(i) any regulation adopted under this subtitle; and

(ii) the trust agreement securing the bonds.

§ 10–847. Refunding Bonds.

(a) (1) The Center may issue bonds to refund outstanding bonds of the Center, including paying:

(i) any redemption premium;

(ii) interest accrued or to accrue to the date of redemption, purchase, or maturity of the bonds; and

(iii) if considered advisable by the Center, any part of the cost of acquiring or improving a project.

(2) Refunding bonds may be issued for any corporate purpose, including:

(i) realizing savings in the effective costs of debt service, directly or through a debt restructuring; or

(ii) alleviating a potential or actual default.

(b) A refunding bond that the Center issues under this section shall be issued in the same manner and is subject to this subtitle to the same extent as any other bond.

(c) (1) The Center may issue refunding bonds in one or more series in an amount greater than the amount of the bonds to be refunded.

(2) (i) In addition to other sources of payment that the Center determines, refunding bonds may be payable from escrowed bond proceeds and earnings and profits on investments.

(ii) Escrowed bond proceeds and earnings and profits on investments used under subparagraph (i) of this paragraph constitute revenues of a project under this subtitle.

§ 10–848. Bond Anticipation Notes.

(a) The Center may issue negotiable bond anticipation notes in anticipation of the sale of bonds for any corporate purpose.

(b) Bond anticipation notes issued under this section shall be issued in the same manner as bonds.

(c) Bond anticipation notes issued under this section and the resolution authorizing them may contain any provisions, conditions, or limitations that may be included in a trust agreement.

(d) The Center may issue bond anticipation notes to pay any other bond anticipation notes.

(e) Bond anticipation notes shall be paid from:

(1) revenues of the Center;

(2) money available and not otherwise pledged; or

(3) the proceeds of the sale of the bonds in anticipation of which the notes were issued.

§ 10–849. Conveyance of Title and Release of Collateral.

(a) The Center shall convey title to a project and release collateral in accordance with this section when the following conditions are met:

(1) (i) the principal of and interest on bonds issued to finance the project, including any refunding bonds, have been fully paid and retired; or

(ii) adequate provision has been made to fully pay and retire the bonds;

(2) all other conditions of the trust agreement have been satisfied; and

(3) the lien of the trust agreement has been released.

(b) On satisfaction of the conditions under subsection (a) of this section, the Center promptly shall execute any deeds, conveyances, releases, and documents and take any other action necessary

to convey title to the project to the participating institution and release collateral free of all liens and encumbrances created through the Center.

§ 10–850. Enforcement of Rights.

(a) A bondholder, a holder of any coupons attached to bonds, or a trustee under a trust agreement securing the bonds may sue to:

(1) protect and enforce rights under the laws of the State or a trust agreement; and

(2) enforce and compel the performance of duties by the Center or its officer, employee, or agent that this subtitle or a trust agreement requires, including fixing and collecting rates, rents, fees, and charges that the trust agreement requires.

(b) The rights under this section are subject to any trust agreement.

§ 10–851. Exempt from Certain Taxes or Assessments.

(a) The Center, its agent, or its lessee is not required to pay a tax or assessment on:

(1) a project or property that it acquires or uses under this subtitle; or

(2) the income from that project or property.

(b) The principal of and interest on bonds, the transfer of bonds, and any income derived from the bonds, including profits made in their sale or transfer, are forever exempt from all State and local taxes.

§§ 10–852, 10–853. Reserved.

§ 10–854. Common Subtitle Name.

This subtitle may be cited as the "Maryland Clean Energy Center Act".

BRIAN E. FROSH
Attorney General

ELIZABETH F. HARRIS
Chief Deputy Attorney General

CAROLYN QUATTROCKI
Deputy Attorney General

LAILA ATALLAH
Assistant Attorney General
Counsel to the Department

BARBARA CURNIN KOUNTZ
Assistant Attorney General
Deputy Counsel to the Department

STATE OF MARYLAND
OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF COMMERCE

ILENE S. GARTEN
W. DAVID RAWLE
WILLIAM J. CHEN III
MUNACHI O. NSOFOR
Assistant Attorneys General
e-mail: David.Rawle@maryland.gov
TOLL FREE: 1-888-CHOOSEMD

(410) 767-6381
WRITER'S DIRECT DIAL NO.

November 30, 2020

Maryland Clean Energy Center
5000 College Avenue, Suite 31010
College Park, MD 20740
Attn: Katherine Magruder

Ms. Katherine Magruder:

The Maryland Clean Energy Center ("MCEC") is a Maryland corporation created by specific statute (see Sections 10-801 through 10-854, Maryland Annotated Code); not under Maryland's Corporations and Associations Article. As a statutory corporation, MCEC is not required to register with Maryland's State Department of Assessments and Taxation ("SDAT"). Rather, MCEC's status as a corporation is determined by its statute and MCEC may only be dissolved by an act of the Maryland General Assembly. Therefore, MCEC's "Good Standing" is not determined through SDAT and a Good Standing Certificate is not possible to obtain.

Please feel free to contact me regarding any questions concerning this advice.

Sincerely,

W. David Rawle

W. David Rawle,
Assistant Attorney General
Counsel to MCEC

THIS IS AN ADVICE OF COUNSEL
AND NOT AN OPINION OF THE ATTORNEY GENERAL OF MARYLAND

IRS Department of the Treasury
Internal Revenue Service
P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248567571
Aug. 19, 2009 LTR 4076C E0
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MARYLAND CLEAN ENERGY CENTER
% I KATHERINE MAGRUDER
9636 GUDELSKY DRIVE 4TH FLOOR
ROCKVILLE MD 20850-3481

03364

Federal Identification Number: 26-3864715
Person to Contact: Ms.Lee
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This responds to your request for information about your federal tax status. Our records do not specify your federal tax status. However, the following general information about the tax treatment of state and local governments and affiliated organizations may be of interest to you.

GOVERNMENTAL UNITS
Governmental units, such as States and their political subdivisions, are not generally subject to federal income tax. Political subdivisions of a State are entities with one or more of the sovereign powers of the State such as the power to tax. Typically they include counties or municipalities and their agencies or departments. Charitable contributions to governmental units are tax-deductible under section 170(c)(1) of the Internal Revenue Code if made for a public purpose.

ENTITIES MEETING THE REQUIREMENTS OF SECTION 115(1)
An entity that is not a governmental unit but that performs an essential government function may not be subject to federal income tax, pursuant to Code section 115(1). The income of such entities is excluded from the definition of gross income as long as the income (1) is derived from a public utility or the exercise of an essential government function, and (2) accrues to a State, a political subdivision of a State, or the District of Columbia. Contributions made to entities whose income is excluded income under section 115 may not be tax deductible to contributors.

TAX-EXEMPT CHARITABLE ORGANIZATIONS
An organization affiliated with a State, county, or municipal government may qualify for exemption from federal income tax under section 501(c)(3) of the Code, if (1) it is not an integral part of the government, and (2) it does not have governmental powers inconsistent with exemption (such as the power to tax or to exercise enforcement or regulatory powers). Note that entities may meet the requirements of both sections 501(c)(3) and 115 under certain circumstances. See Revenue Procedure 2003-12, 2003-1 C.B. 316.

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MARYLAND CLEAN ENERGY CENTER
% I KATHERINE MAGRUDER
9636 GUDELSKY DRIVE 4TH FLOOR
ROCKVILLE MD 20850-3481

Most entities must file a Form 1023, Application for Recognition of Exemption Under Section 501(c))(3) of the Internal Revenue Code, to request a determination that the organization is exempt from federal income tax under 501(c)(3) of the Code and that charitable contributions are tax deductible to contributors under section 170(c)(2). In addition, private foundations and other persons sometimes want assurance that their grants or contributions are made to a governmental unit or a public charity. Generally, grantors and contributors may rely on the status of governmental units based on State or local law. Form 1023 and Publication 4220, Applying for 501(c)(3) Tax-Exempt Status, are available online at www.irs.gov/eo.

We hope this general information will be of assistance to you. This letter, however, does not determine that you have any particular tax status. If you are unsure of your status as a governmental unit or state institution whose income is excluded under section 115(1) you may seek a private letter ruling by following the procedures specified in Revenue Procedure 2007-1, 2007-1 I.R.B. 1 (updated annually).

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Michele M. Sullivan

Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations I

Amy Gillespie

From: Greenhouse Gas Reduction Fund <GGRF@epa.gov>
Sent: Tuesday, July 25, 2023 3:06 PM
To: Amy Gillespie
Subject: RE: Eligibility to Apply for Solar for All

Follow Up Flag: Follow up
Flag Status: Flagged

Hello,

As an instrumentality of the State of Maryland, Maryland Clean Energy Center is eligible to apply to Solar for All as a state. Please note: MCEC will need to satisfy the threshold eligibility requirements that apply to state applicants including the NOI requirements detailed in Section I.F: Required Notice of Intent and Section III.C: Threshold Eligibility Criteria of the Notice of Funding Opportunity.

Sincerely,
EPA's Office of the Greenhouse Gas Reduction Fund

From: Amy Gillespie <agillespie@mdcleanenergy.org>
Sent: Tuesday, July 25, 2023 2:53 PM
To: Greenhouse Gas Reduction Fund <GGRF@epa.gov>
Subject: RE: Eligibility to Apply for Solar for All

Thank you for your reply. We are an instrumentality of the State of Maryland and would like to apply as a state. Please advise.

Thanks,
Amy

From: Greenhouse Gas Reduction Fund <GGRF@epa.gov>
Sent: Tuesday, July 25, 2023 2:50 PM
To: Amy Gillespie <agillespie@mdcleanenergy.org>
Subject: RE: Eligibility to Apply for Solar for All

Hello,

To help us provide the appropriate eligibility requirements for MCEC, could you tell us which category of eligible applicant are you are demonstrating eligibility for—state, municipality, or eligible nonprofit recipient? Please refer to the Notice of Funding Opportunity, Section III.A: Eligible Applicants to understand the definitions of each of these categories.

Please note that EPA cannot provide legal advice to an applicant on its legal entity status.

Sincerely,
EPA's Office of the Greenhouse Gas Reduction Fund

From: Amy Gillespie <agillespie@mdcleanenergy.org>
Sent: Thursday, July 20, 2023 2:23 PM

To: Greenhouse Gas Reduction Fund <GGRF@epa.gov>
Subject: Eligibility to Apply for Solar for All

Hello GGRF team,
I would like to verify the eligibility of the Maryland Clean Energy Center. MCEC is an instrumentality of the State of Maryland, created by statue, and functioning as the state's Green Bank. I am attaching the entities eligibility documents, but would like an okay to proceed so that we can get our NOI in for the Solar for All Application.

Thanks,
Amy

MARYLAND CLEAN ENERGY CENTER
www.mdcleanenergy.org

Amy R. Gillespie
Grants Administration & Compliance Officer
She/Her/Hers

Direct : 301-314-6091
Email: agillespie@mdcleanenergy.org

5000 College Avenue, Suite 31010
College Park, MD 20740