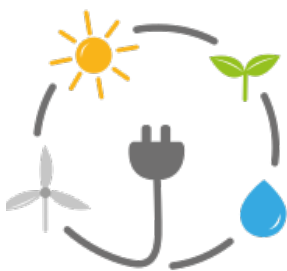




The Office of the Comptroller is committed to being a leader in combating climate change through the levers of state procurement, investment, and collaboration. The Climate Resilience Director serves as a subject matter expert in leading these efforts on behalf of the Comptroller. The Comptroller's Climate Quarterly is intended to update the public on climate-related initiatives in the office and across the state.

INFLATION REDUCTION ACT DIRECT PAY



Thanks to a provision in the Inflation Reduction Act called *Direct Pay*, tax-exempt organizations including nonprofits and state and local governments are, for the first time-ever, eligible to receive payments equal to the full value of tax credits for investing in qualifying clean energy projects. Unlike competitive grant and loan programs, in which applicants may not receive an award, Direct Pay allows entities to receive federal funds if they meet the requirements for both Direct Pay and the underlying tax credit. Direct Pay can make it easier for local governments to invest in clean energy and creates incentives for more expansive projects.

Maryland county and local governments are using direct pay to purchase electric vehicles (EV), build EV charging infrastructure, and install solar (rooftop, canopies) and geothermal energy systems.

See below links for more information:

- Learn more about the Inflation Reduction Act (IRA) [Clean Energy Tax Credits for Local Governments and Nonprofits](#).
- Watch the Office of the [Comptroller's webinar on IRA Direct pay](#).
- Learn more about the [Maryland local government climate action support program](#) that provides assistance on Direct Pay from the Maryland Department of the Environmental and the University of Maryland Environmental Finance Center for select counties.
- Maryland offers funding opportunities to support the initial upfront cost of projects that are eligible for IRA Direct Pay rebates.
 - [Transportation projects like EVs and Charging](#)
 - [Renewable Energy projects](#)
 - [Energy Efficiency projects](#)

CLEAN ENERGY & TRANSPORTATION TAX INCENTIVES FOR MARYLAND RESIDENTS



Right now, Maryland residents can also access tax incentives for clean energy and transportation. This includes state incentives on EVs, clean energy like solar panels and coming in 2025, a new grant program for residential solar panels.

Learn more about [Clean Energy and Transportation tax incentives](#).

MEMBERSHIP ON MCCC & COAST SMART

Comptroller Lierman is a new member of the [Maryland Commission on Climate Change \(MCCC\)](#) and the [Coast Smart Council \(CSC\)](#). The MCCC advises the Governor and Maryland General Assembly on ways to mitigate the causes of, prepare for and adapt to the consequences of climate change. As a member of the CSC, the Comptroller will support the development of improved measures, criteria, standards and procedures to address the impact associated with sea level rise and coastal flooding on future capital projects. ([SB777](#))

EPA CLIMATE POLLUTION REDUCTION GRANT AWARD TO MARYLAND

The Environmental Protection Agency awarded \$130 million Climate Pollution Reduction Grants awards as a partner in two multi-state consortium grants from the U.S. Environmental Protection Agency

The Clean Corridor Coalition's plan for Zero Emissions Medium & Heavy- Duty Vehicle Infrastructure along the I-95 Corridor project will deploy EV charging infrastructure for commercial zero-emission medium- and heavy-duty vehicles on the Interstate-95 freight corridor.

The Atlantic Conservation Coalition is a regional approach focused on natural climate solutions to reduce greenhouse gas emissions. This project will leverage the carbon sequestration power of natural and working lands, including coastal wetlands, peatlands, forests, and urban forestry.

CLIMATE RESILIENCE DIRECTOR'S CORNER

Kim Pezza



PROCUREMENT

As a member of the Board of Public Works (BPW), Comptroller Lierman wants to ensure that climate change and sustainability considerations are incorporated into all relevant state procurements and that items brought before the BPW align with state climate goals, increase sustainable practices, and equitably address the impacts of climate change on the residents of Maryland.

The Office of the Comptroller has embarked on processes to increase the awareness and visibility of sustainability practices adopted by state agencies and contracts. This includes recognizing that procurements should, when applicable, aim to meet the goals of the Climate Solutions Now Act of 2022 of a 60% reduction in Greenhouse gas (GHG) emissions by 2031 and a Net-Zero GHG emissions by 2045 from the baseline year of 2006. These sustainability practices also ensure applicable procurements address adaptation and resilience in response to climate change.

INVESTMENT

As Vice Chair of the Maryland State Retirement and Pension System (MSRPS) Board of Trustees, Comptroller Lierman is committed to maximizing financial returns of the System's \$65 billion fund by recognizing that climate risk is financial risk. Climate has recently been added to the System's annual risk assessment.

The office is working with the Pension Board to develop a Climate Advisory Council to support the boards efforts on considering climate risk as it pertains to the state's Pension fund. The Comptroller's office has been conducting research on climate risk investment tools and how other investment plans look at climate risk in their portfolio.

COLLABORATION & COMMUNITY ENGAGEMENT

The Comptroller's Office is working to build partnerships with state agencies on climate change and sustainability.

The Climate Director is now a member of the EV Supply Equipment Workgroup (created with the passage of [SB951/HB1028](#)) along with representatives from the Public Service Commission, Maryland Department of Transportation, Maryland Department of Agriculture & Maryland Energy Administration. The work group will:

- Develop a Regulatory Framework for the items in the bill.
- Develop roles and responsibilities for implementation.
- Develop rules for determining charging station uptime and enforcement.

The Climate Director is also on the Maryland Department of Emergency Management's Resilience Leadership Council. This work group will bring together representatives from organizations leading resilience initiatives from nine state agencies, as well as the Governor's office, to maintain cross-agency coordination, elevate key programs and offer input to help shape key initiatives, led by the Maryland Office of Resilience, including the Resilient Maryland Strategy.