

**Department of Legislative Services**  
Maryland General Assembly  
2026 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 381 (Senators Watson and West)  
Education, Energy, and the Environment

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**Education - School Building Energy Usage - Monthly Report**

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This bill requires each local board of education to collect data on school building energy usage and report that data to the Interagency Commission on School Construction (IAC). IAC must adopt regulations specifying the data to be collected and the means and frequency of reporting. IAC must also analyze the data collected and provide recommendations to local boards of education for improving school building energy efficiency and usage. **The bill takes effect July 1, 2026.**

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**Fiscal Summary**

**State Effect:** IAC can adopt regulations, collect and analyze data, and provide recommendations to local boards of education using existing resources. Revenues are not affected.

**Local Effect:** Local school systems can likely collect and report data to IAC using existing resources, as discussed below. No effect on local revenues.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Chapter 608 of 2021 requires each local school system to adopt or update a school district energy policy, which must:

- address the purchasing, conservation, and efficiency of energy for the school system;

- provide for the monitoring and reporting of the amount and percentage of the school system's use of electricity from renewable sources; and
- include current and historical data on the school system's energy use by square foot.

Under Chapter 608, each local school system is encouraged to set targets to increase its use of renewable energy and reduce its greenhouse gas emissions. The policy must be posted on the school system's website and be updated every three years. As part of Chapter 608, IAC and the Maryland Energy Administration (MEA) must coordinate to develop a standardized reporting template that school systems can use to report their energy use.

The 2012 merger of Constellation Energy and Exelon Corporation yielded, as a condition of the merger, a \$9 million contribution to MEA's Customer Investment Fund to provide resources for long-term energy efficiency and conservation goals. The funds were used to establish the Maryland Net Zero Energy School Initiative Grant Program, which made grants to design and construct three net-zero energy schools in the State. The program resulted in the construction of Maryland's first cohort of net-zero energy schools. This includes: Wilde Lake Middle School in Howard County; Graceland Park/O'Donnell Heights Elementary/Middle School; and Holabird Elementary/Middle School in Baltimore City. No additional funds have been available for the grant program since the initial grants were made.

MEA, in partnership with IAC, manages the Decarbonizing Public Schools Program to help local school systems develop capacity and advance strategies for promoting clean and efficient energy use within their portfolio of current and future K-12 schools and support facilities. Decarbonizing Public Schools is a competitive grant program utilizing funding from the Strategic Energy Investment Fund, Climate Action Plan, and Alternative Compliance Program. One eligible use of the grants is technical support to establish or expand the use of portfolio manager accounts intended to build school systems' capacity for energy data analytics. Several local school systems have already accessed Decarbonizing Public Schools grant funding for such purposes in [fiscal 2025](#).

**Local Fiscal Effect:** In accordance with Chapter 608, local school systems must maintain school district energy policies, including policies on energy use data collection. Although the exact data to be collected and frequency of collection must be set by IAC in regulations, it is likely that local school systems can supply basic energy use data to IAC on a regular basis using existing resources. IAC advises that school systems should have access to energy data from either an existing energy management software or from their utility providers. Further, IAC advises that it likely will develop reporting requirements and timelines with existing data management capacity of local school systems in mind. Therefore, the additional burdens represented by the bill's reporting requirement are likely to be minimal and absorbable with existing resources. Baltimore City and Montgomery,

Prince George's, St. Mary's, and Wicomico County public schools all accordingly advise that existing resources are sufficient to report energy use data to IAC.

Frederick County Public Schools and Anne Arundel County Public Schools advise that high frequency reporting or complex reporting requirements may entail a fiscal impact to hire additional energy analysts. However, as discussed above, existing resources are likely sufficient given the likelihood that IAC adopts reporting requirements with local capacity in mind.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has been introduced within the last three years. See SB 818 and HB 66 of 2025.

**Designated Cross File:** HB 614 (Delegate Wu, *et al.*) - Appropriations.

**Information Source(s):** Interagency Commission on School Construction; Maryland Energy Administration; Baltimore City Public Schools; Anne Arundel County Public Schools; Frederick County Public Schools; Montgomery County Public Schools; Prince George's County Public Schools; St. Mary's County Public Schools; Wicomico County Public Schools; Department of Legislative Services

**Fiscal Note History:** First Reader - February 25, 2026  
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