

Department of Legislative Services
 Maryland General Assembly
 2026 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 553 (Senator Augustine)
 Education, Energy, and the Environment

**Commission to Advance Lithium-Ion Battery Safety in Maryland -
 Reestablishment**

This bill reestablishes the Commission to Advance Lithium-Ion Battery Safety in Maryland. The Office of the State Fire Marshal (OSFM) must provide staff for the commission. Commission members may not receive compensation but are entitled to reimbursement for expenses. By December 1, 2026, the commission must submit an interim report on the progress and status of the commission to the Legislative Policy Committee. By December 1, 2027, the commission must report its findings and recommendations to the Governor and the General Assembly. **The bill takes effect June 1, 2026, and terminates June 30, 2028.**

Fiscal Summary

State Effect: No effect in FY 2026. General fund expenditures increase by \$70,700 in FY 2027 and by \$30,100 in FY 2028. Any expense reimbursements for members of the commission are assumed to be minimal and absorbable within existing resources. Revenues are not affected.

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	70,700	30,100	0	0
Net Effect	\$0	(\$70,700)	(\$30,100)	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: The bill does not materially affect local government operations or finances.

Small Business Effect: None.

Analysis

Bill Summary/Current Law: Chapters 949 and 950 of 2024 established the Commission to Advance Lithium-Ion Battery Safety in Maryland, which terminated December 31, 2025. The commission was required to study and make legislative, regulatory, programmatic, or other recommendations regarding:

- best practices, standards, and guidelines (1) to prevent, detect, and suppress lithium-ion battery fires in consumer and transportation applications and in utility applications, with review and consideration of the National Fire Prevention 855 Standards for Grid Scale Storage and Safety; (2) to prevent, detect, and suppress lithium-ion fires at recycling facilities; and (3) for reusing, recycling, and decommissioning lithium-ion batteries;
- the viability of extended producer responsibility for lithium-ion batteries;
- training, education, and other information to better inform the public and first responders regarding lithium-ion battery safety; and
- any other global issues the commission may consider useful for enhancing the safety and reuse of batteries in the State.

The commission submitted its [interim report](#) on December 1, 2024, and submitted its [final report](#) on November 25, 2025. The commission's final report included, among other things, recommendations to extend the commission's mandate for an additional two years so it can study (1) battery risks at the Port of Baltimore, roads, rail and tunnels throughout Maryland; (2) impacts of battery risks on insurance providers and insurance coverage availability; (3) Maryland's current waste classifications for lithium-ion batteries and how they affect collection, storage, and recycling as well as how this could be better addressed in the permitting and regulation of solid waste facilities; and (4) the integration of pending federal regulations and emerging third-party standards.

The bill generally requires the commission to study those aforementioned issues and adds additional commission members.

State Expenditures: The Department of State Police advises that OSFM hired a temporary contractual employee to staff the original commission and must again hire another temporary contractual employee for the reestablished commission. Therefore, general fund expenditures increase by \$70,656 in fiscal 2027, which accounts for a 30-day start-up delay from the bill's June 1, 2026 effective date. This estimate reflects the cost of hiring one contractual management associate to staff the commission, study the new lithium-ion batteries and the new requirements established under the bill, and complete the required reports. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Contractual Position	1.0
Salary and Fringe Benefits	\$60,821
Operating Expenses	<u>9,835</u>
Total FY 2025 State Expenditures	\$70,656

Fiscal 2028 expenditures, which total \$30,100, reflect ongoing costs and the termination of the contractual position midway through fiscal 2028, following the completion of the commission’s final report and concurrent with the bill’s termination date.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State’s implementation of the federal Patient Protection and Affordable Care Act.

Additional Comments: The Department of Legislative Services advises that the National Fire Prevention Association 855 (Standard for the Installation of Stationary Energy Storage Systems) provides, among other things, guidance for the installation and maintenance of energy storage systems, which can include lithium-ion batteries.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 833 (Delegates Boyce and Stein) - Environment and Transportation.

Information Source(s): Department of State Police; National Fire Protection Association; Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2026
js/mcr

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