

deemed a cost of distribution and shall be allowed and computed as such, together with other allowable expenses, for rate-making purposes. Revenues from the surcharge shall be collected by the Comptroller and placed in the Fund.

(b) (1) The Secretary, in consultation with the Director of the Maryland Energy Administration, annually shall coordinate the preparation of a budget required to carry out the provisions of this subtitle. Upon approval of the budget by the General Assembly, the Public Service Commission shall establish the amount of the surcharge per kilowatt hour for the fiscal year beginning July 1, 1972, and for each subsequent fiscal year.

(2) Notwithstanding any other provisions of this subtitle, the amount of the surcharge for each account for each retail electric customer may not exceed the lesser of 0.15 mill per kilowatt hour or \$1,000 per month and the surcharge may not continue beyond fiscal year 2005.

(3) The Comptroller shall maintain the method of collection of the surcharge from the companies and the collections shall accrue to the Fund. The Department shall credit against the amount required to be paid into the Environmental Trust Fund by each electric company an amount equal to 0.75% of the total surcharge attributed to each company on the basis of the electricity distributed within Maryland.

(c) The Secretary shall administer the Fund. The Fund is subject to the provisions for financial management and budgeting established by the Department of Budget and Management. ~~THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE. ANY INVESTMENT EARNINGS OF THE FUND MAY NOT BE TRANSFERRED OR REVERT TO THE GENERAL FUND OF THE STATE, BUT SHALL REMAIN IN THE FUND ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO THE GENERAL FUND OF THE STATE. ANY UNSPENT PORTIONS OF THE FUND AT THE END OF A FISCAL YEAR SHALL REVERT TO THE GENERAL FUND OF THE STATE~~ THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE. The moneys in the Fund shall be used to carry out the provisions of this subtitle as provided for in the budget, except that 10% of all moneys accruing to the Fund from July 1, 1978 through June 30, 1983 shall be used to supplement funds necessary to carry out the duties of the People's Counsel of the Public Service Commission. The People's Counsel shall submit an annual budget of necessary supplemental funds to the Department to be incorporated in the Department's budget. For the purposes of this subtitle, the Secretary, in consultation with the Director of the Maryland Energy Administration, may execute appropriate contracts with any State or federal agency, research organization, industry, or academic institution to conduct the necessary research, construct or acquire, or both, real property including physical predictive models, laboratories, buildings, land, and appurtenances, or support the technological development of extraordinary systems related to power plants designed to minimize environmental impact. The Secretary may utilize available expertise in any other State unit in the development, execution, and management of contracts and agreements on projects relating to their areas of prime responsibility.