SENATE BILL 722

L6, M3

By: Senators Hester, Elfreth, and Lam
Introduced and read first time: February 3, 2020
Assigned to: Education, Health, and Environmental Affairs
committee report: Favorable with amendments
Senate action: Adopted
Read second time: March 4, 2020

CHAPTER _____

1  AN ACT concerning

2  Clean Energy Loan Program – Environmental Remediation and Resiliency
Projects

3  FOR the purpose of expanding the purpose of a certain clean energy loan program to include
providing loans to certain property owners to finance certain environmental
remediation projects and resiliency projects; adding certain environmental
remediation projects and resiliency projects to the list of items that require eligibility
requirements under a certain ordinance; clarifying that certain loan terms and
conditions required under a certain ordinance include a certain provision; making
stylistic changes; defining certain terms; and generally relating to a clean energy
loan program.

12  BY repealing and reenacting, with amendments,
13  Article – Local Government
14  Section 1–1101, and 1–1103, and 1–1104
15  Annotated Code of Maryland
16  (2013 Volume and 2019 Supplement)

17  BY repealing and reenacting, without amendments,
18  Article – Local Government
19  Section 1–1102
20  Annotated Code of Maryland
21  (2013 Volume and 2019 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
Underlining indicates amendments to bill.
Strike-out indicates matter stricken from the bill by amendment or deleted from the law by
amendment.
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SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Local Government

1–1101.

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

(b) “Bond” means a bond, note, or other similar instrument that a county or municipality issues under this subtitle.

(c) “Chief executive” means the president, chair, mayor, county executive, or any other chief executive officer of a county or municipality.

(d) “Commercial property” means real property that is:

(1) not designed principally or intended for human habitation; or

(2) used for human habitation and is improved by more than four single family dwelling units.

(E) (1) “ENVIRONMENTAL REMEDIATION PROJECT” MEANS A PROJECT THAT IS INTENDED TO REMOVE ENVIRONMENTAL OR HEALTH HAZARDS.

(2) “ENVIRONMENTAL REMEDIATION PROJECT” INCLUDES:

(I) ASBESTOS REMEDIATION;

(II) LEAD PAINT REMOVAL; AND

(III) MOLD REMEDIATION.

[(e)] (F) “Program” means a clean energy loan program established under this subtitle.

(G) (1) “RESILIENCY PROJECT” MEANS A PROJECT THAT INCREASES THE CAPACITY OF A STRUCTURE OR INFRASTRUCTURE TO WITHSTAND NATURAL DISASTERS AND THE EFFECTS OF CLIMATE CHANGE.

(2) “RESILIENCY PROJECT” INCLUDES:

(I) A FLOOD MITIGATION PROJECT;

(II) A STORMWATER MANAGEMENT PROJECT;
A county or municipality may enact an ordinance or a resolution to establish a clean energy loan program.

1–1103.

(a) The purpose of a program is to provide loans to:

1. residential property owners, including low income residential property owners, AND COMMERCIAL PROPERTY OWNERS to finance energy efficiency and renewable energy projects; and

2. commercial property owners to finance:

   (i) energy efficiency projects; [and]

   (2) ENVIRONMENTAL REMEDIATION PROJECTS;

   (iii) renewable energy projects; AND

   (4) RESILIENCY PROJECTS.

(b) A private lender may provide capital for a loan provided to a commercial property owner under the program.

1–1104.

(a) An ordinance or resolution enacted under § 1–1102 of this subtitle shall provide for:

(1) eligibility requirements for participation in the program, including eligibility requirements for:

   (i) energy efficiency improvements [and], renewable energy devices, ENVIRONMENTAL REMEDIATION PROJECTS, AND RESILIENCY PROJECTS; and

   (ii) property and property owners; and
(2) loan terms and conditions, INCLUDING A PROVISION THAT REQUIREES THAT A LOAN BE REPAID OVER A TERM NOT TO EXCEED THE WEIGHTED AVERAGE OF THE USEFUL LIFE OF THE IMPROVEMENT OR PROJECT AS DETERMINED BY THE PROGRAM.

(b) Eligibility requirements under subsection (a) of this section shall include a requirement that the county or municipality give due regard to the property owner's ability to repay a loan provided under the program, in a manner substantially similar to that required for a mortgage loan under §§ 12–127, 12–311, 12–409.1, 12–925, and 12–1029 of the Commercial Law Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.