



**Favorable with Amendments**

**House Bill 1250**

**Maryland Solar Investment Tax Credit and Task Force to Study Solar Energy Incentives**

**Ways and Means Committee**

**March 9, 2022**

Honorable Vanessa E. Atterbeary  
Chair, Ways and Means Committee  
Room 131  
House Office Building  
Annapolis, Maryland 21401

Chair Atterbeary, Vice-Chair Washington, and members of the Committee,

On behalf of the Chesapeake Solar & Storage Association (CHESSA), thank you for the opportunity to issue our testimony in **support of House Bill 1250 with amendments**. This legislation would allow a solar project smaller than 2 MW to qualify for a 15% tax credit certificate for the total cost of the eligible solar property if the developer meets certain labor and wage standards. First, CHESSA would like to thank Delegate Feldmark for her leadership on this legislation and for taking a fresh approach to addressing labor standards in the renewable energy space. Additionally, we offer several amendments that we believe will not only strengthen the legislation, but better position the incentives to being adopted by solar developers.

As noted, the legislation gives the solar project developer the option to adhere to certain labor and wage standards. Qualifying standards include, but are not limited to, paying the prevailing wage, participation in an apprenticeship program, focus on local hiring with an emphasis on underrepresented communities, and providing healthcare. These are important standards, and we support them in concept, however, much of our membership is small residential rooftop installation companies that do not have the personnel to comply with the standards. Therefore, we propose several amendments that we believe position the bill to be utilized by a broader subset of member companies. For example, for companies with 10 or fewer employees, rather than paying prevailing wage, we suggest paying 150 percent of the minimum wage. This still supports the underlying goal of the legislation but in a manner that a smaller company can adhere to and utilize. Additionally, we suggest broadening the apprenticeship requirement so that companies can comply if they hire workers that went through community-based workforce development opportunities, such as the programs offered by Grid-Alternatives or Baltimore-based Power 52.

Additionally, the legislation establishes a task force to examine solar energy incentives in the context of how the State can create and align them with its goal for better wages and labor standards. We strongly encourage this discussion and assessment and look forward to participating on the task force.

On behalf of CHESSA, thank you for your consideration of our testimony and amendments. Should you have any further questions, do not hesitate to reach out to me at [sjohnson@chessa.org](mailto:sjohnson@chessa.org).

Submitted by:  
Stephanie Johnson  
Executive Director

## **HB 1250 Proposed Amendments**

*Offered by the Chesapeake Solar and Storage Association*

### **Amendment No. 1**

On page 2, line 18. After “unless”, insert “**CONTRACTORS OR SUBCONTRACTORS WITH FEWER THAN 10 EMPLOYEES ARE PAID AT LEAST 150 PERCENT OF THE MINIMUM WAGE OR**”

On page 2, line 22 through 25, strike in their entirety and replace with:

**II) HAS OBTAINED A NORTH AMERICAN BOARD OF CERTIFIED ENERGY PRACTITIONERS (NABCEP) INSTALLER CERTIFICATE FOR SOLAR PV OR AN UNDERWRITERS LABORATORIES (UL) PV SYSTEMS INSTALLER CERTIFICATE OR HAS PARTICIPATED IN:**

- 1. AN APPRENTICESHIP PROGRAM REGISTERED WITH UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF APPRENTICESHIP AND TRAINING;**
- 2. PRE-APPRENTICESHIP JOBS TRAINING PROGRAMS DESIGNED TO PREPARE INDIVIDUALS TO ENTER AND SUCCEED IN AN APPRENTICESHIP PROGRAM REGISTERED BY THE MARYLAND APPRENTICESHIP AND TRAINING COUNCIL;**
- 3. OR OTHER PAID TRAINING PROGRAMS LED BY COMMUNITY BASED ORGANIZATIONS THAT EXPAND ACCESS TO WORKFORCE DEVELOPMENT AND JOB TRAINING OPPORTUNITIES FOR DISADVANTAGED WORKERS IN THE EMERGING CLEAN ENERGY ECONOMY**

On page 3, after line 4, insert:

**(VI) A TAXPAYER SHALL BE DEEMED TO HAVE SATISFIED THE REQUIREMENTS OF SECTION C(II) OF THIS SUBSECTION IF A TAXPAYER HAS REQUESTED QUALIFIED APPRENTICES FROM A REGISTERED APPRENTICESHIP PROGRAM; AND,**

**(I) SUCH REQUEST HAS BEEN DENIED, PROVIDED THAT SUCH DENIAL IS NOT THE RESULT OF A REFUSAL BY THE CONTRACTORS OR SUBCONTRACTORS TO COMPLY WITH THE ESTABLISHED STANDARDS AND REQUIREMENTS OF THE REGISTERED APPRENTICESHIP PROGRAM; OR,**

**(II) THE REGISTERED APPRENTICESHIP PROGRAM FAILS TO RESPOND TO SUCH A REQUEST WITHIN 5 BUSINESS DAYS AFTER THE DATE ON WHICH SUCH REGISTERED APPRENTICESHIP PROGRAM RECEIVED SUCH REQUEST.**

### **Amendment No. 2**

On page 5, strike lines 2 through 5 in its entirety and replace with:

**(I) THE IMPACT OF GRANT PROGRAMS, TAX CREDITS, TAX EXEMPTIONS, SOLAR RENEWABLE ENERGY CREDITS, AND OTHER FINANCIAL INCENTIVES ON THE MARKET FOR SOLAR RENEWABLE ENERGY FACILITIES IN THE STATE, DIFFERENTIATED BY RESIDENTIAL AND NON-RESIDENTIAL CUSTOMER-SITED FACILITIES, COMMUNITY SOLAR FACILITIES, AND ALL OTHER SOLAR RENEWABLE ENERGY FACILITIES LOCATED IN THE STATE;**

**(II) THE MARKET POTENTIAL FOR SOLAR RENEWABLE ENERGY FACILITIES OF LESS THAN TWO MEGAWATTS IN THE STATE, DIFFERENTIATED BY CUSTOMER-SITED RESIDENTIAL AND NON-**

**RESIDENTIAL FACILITIES AND OTHER FACILITY TYPES, AND THE ECONOMIC IMPACT OF EACH ON THE STATE;**

**(III) THE EXTENT TO WHICH CUSTOMER-SITED SOLAR RENEWABLE ENERGY FACILITIES, AND OTHER SUCH FACILITIES UNDER TWO MEGAWATTS, WILL BE NEEDED TO MEET THE SOLAR ENERGY GOALS ESTABLISHED IN THE STATE'S RENEWABLE ENERGY PORTFOLIO STANDARD UNDER § 7-703 OF THE PUBLIC UTILITIES ARTICLE, IN LIGHT OF ANY KNOWN OR FORESEEABLE CONSTRAINTS ON THE SITING OR INTERCONNECTION OF SOLAR RENEWABLE ENERGY FACILITIES LARGER THAN 2 MEGAWATTS;**

**(IV) THE EFFICACY OF THE FINANCIAL INCENTIVES REFERENCED IN SUBPART (I) IN EFFECT AS OF JUNE 1, 2024 TO ENCOURAGE SUFFICIENT AMOUNTS OF CUSTOMER-SITED SOLAR RENEWABLE ENERGY FACILITIES, AND OTHER SOLAR RENEWABLE ENERGY FACILITIES UNDER 2 MEGAWATTS, TO MEET THE SOLAR ENERGY GOALS ESTABLISHED IN THE STATE'S RENEWABLE ENERGY PORTFOLIO STANDARD UNDER § 7-703 OF THE PUBLIC UTILITIES ARTICLE.**

On page 5, line 11 and 12, strike in its entirety and replace with:

**(2) MAKE RECOMMENDATIONS REGARDING:**

**(I) MEASURES NEEDED TO ENSURE THAT SOLAR DEVELOPMENT IN THE STATE CREATES GOOD QUALITY, FAMILY-SUSTAINING JOBS;**

**(II) WHETHER DIFFERENT LEVELS OF INCENTIVES FOR SOLAR OR THE SOLAR ALTERNATIVE COMPLIANCE FEE UNDER § 7-705 OF THE PUBLIC UTILITIES ARTICLE SHOULD EXIST FOR DIFFERENT TYPES OF SOLAR DEVELOPMENT BASED ON COST FACTORS SPECIFIC TO CUSTOMER-SITED SOLAR RENEWABLE ENERGY FACILITIES; AND**

**(III) WHETHER THERE IS A NEED TO FURTHER ENCOURAGE DEVELOPMENT OF CUSTOMER-SITED RESOURCES TO MEET THE SOLAR RENEWABLE ENERGY GOALS ESTABLISHED IN THE STATE'S RENEWABLE ENERGY PORTFOLIO STANDARD UNDER § 7-703 OF THE PUBLIC UTILITIES ARTICLE.**