HB 639 - Restrictions on Use Solar Collector Syst Uploaded by: Christa McGee

Position: FAV



House Bill 639 – Restrictions on Use - Solar Collector Systems - Alteration

Position: Support

Maryland REALTORS® supports HB 639, which further defines for property owners what type of restrictions on the placement of a solar collector system would be considered unreasonable. Additionally, this legislation would provide a mechanism that would assist property owners who wish to challenge a restriction enacted by a community association in which they reside.

REALTORS® support efforts that allow for property owners to utilize solar equipment in a way that is cost effective and allows them to generate enough energy to offset the expense associated with the equipment. Restrictions enacted by community associations on the placement of solar collector systems can cause homeowners to lose efficiency or increase their installation costs associated with the equipment. This creates a disincentive for homeowners within these communities to become more energy efficient. Having a mechanism in place for homeowners within these communities to challenge unreasonable restrictions on solar collector systems, along with the clarity offered in the definition as to what constitutes unreasonable, is helpful to homeowners within these communities. Additionally, REALTORS® support the same type of mechanism to provide a recourse for property owners who do not reside within a community association, allowing them to challenge unreasonable restrictions on solar collector systems that are enacted by a government entity.

Maryland REALTORS® recommends a favorable report.

For more information, contact lisa.may@mdrealtor.org or christa.mcgee@mdrealtor.org

HB 639.pdfUploaded by: Dave Arndt
Position: FAV

Testimony on HB 639

Restrictions on Use - Solar Collector Systems

Dave Arndt of Baltimore MD supports HB 639

HB639 will make changes to clarify what are unreasonable restrictions on solar collector systems. The bill prohibits restrictions that would increase the cost of installing a solar collector system by at least 5% or that would reduce the efficiency of the solar collector system by at least 10% below the projected energy generation of the initially proposed system. The bill also provides that the owner of the solar collector system provide documentation prepared by an independent solar panel design specialist certified by the North American Board of Certified Energy Practitioners and licensed in Maryland, showing that the restriction is unreasonable, to the satisfaction of a community association. The bill further provides that a community association may prohibit or impose reasonable restrictions on the installation of a solar collector system in the common area or common elements within the development served by the community association. Also, a community association may be authorized to install a solar collector system in the common area or common elements provided the installation is not otherwise prohibited by applicable law.

These are important technical changes to existing law that will clarify solar installation requirements for developments served by the community association. We recommend a FAVORABLE report for HB639 in committee.

I encourage a FAVORABLE report for this important legislation.

Thank you,

Dave Arndt 1445 Haubert St. Baltimore MD, 21230 240-328-7383

2023 MDLAC testimony HB639 - Senate Testimony.pdf Uploaded by: Grason Wiggins

Position: FAV



Maryland Legislative Action Committee The Legislative Voice of Maryland Community Association Homeowners

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April 4, 2023

Hon. Senator William Smith Hon. Senator Jeff Waldstreicher Judicial Proceedings Committee 2 E Miller Senate Office Building Annapolis, MD 21401

Re: HB 639 – Restrictions on Use – Solar Collector Systems - Alteration Hearing: April 4, 2023 Position: Support

Dear Chair Barve & Vice Chair Stein, and Committee Members:

This letter is submitted on behalf of the Maryland Legislative Action Committee ("MD-LAC") of the Community Associations Institute ("CAI"). CAI represents individuals and professionals who reside in or work with condominiums, homeowners associations and cooperatives throughout the State of Maryland.

MD-LAC is writing today to voice our support for HB 639 which will amend existing Section 2-119 of the Real Property Article pertaining to restrictions on solar collector systems. The existing law prohibits a restriction within a Deed, Declaration, Bylaws or Contract that "significantly" increases the costs of the solar collector system or "significantly" decreases the efficiency of the solar collector system. The term "significant" is not defined, resulting in ambiguity with respect to what should be considered significant with respect to cost increase or efficiency reduction.

HB 639 seeks to establish an objective standard for "significant" by providing that an unreasonable restriction shall include any restriction that increases the costs of the solar collector system by more than five percent (5%) of the initially proposed installation or decreases the efficiency by

more than ten percent (10%) of the initially proposed installation. This objective standard for "significant" has been adopted by neighboring jurisdictions like Virginia (and other states), resulting in greater clarity for entities that review solar collector applications and homeowners who submit them. HB 639 will permit community association Boards and/or architectural committees to abide by an objective standard when approving or denying applications.

In addition, HB 639 clarifies a Board of Director's authority to both prohibit and install solar panels on the Common Elements of a Community Association, subject to other applicable laws. In most cases, the Board of Directors has broad authority to regulate the Common Elements of a Community Association. This clarification seeks only to reiterate the Board's authority to regulate installations of solar panels on the Common Elements.

Accordingly, the MD-LAC respectfully request that the Committee give HB 639 a favorable report.

We are available to answer any questions which you may have. Please feel free to contact any of the individuals listed: Lisa Harris Jones, CAI MD-LAC lobbyist, at 410-366-1500 or by email at lisa.jones@mdlobbyist.com; Hillary Collins, Esq., member by email at hcollins@reesbroome.com; or Steven Randol, Chair 410-695-2183, or srandol@pineyorchard.com

Sincerely,

Steven Randol

Steven Randol Chair, CAI MD-LAC Hillary Collins

Hillary Collins, Esq., CIRMS Member, CAI MD-LAC

CAI is a national organization dedicated to fostering vibrant, competent, harmonious community associations for more than thirty years. Its members include community association volunteer leaders, professional managers, community management firms, and other professionals and companies that provide products and services to common interest associations. As part of its mission, CAI advocates for legislative and regulatory policies that support responsible governance and effective management. As part of this purpose state Legislative Action Committees represent CAI members before state legislatures and agencies on issues such as governance, assessments collection, insurance and construction defects.

Sunrun Letter of Support HB 639 .pdf Uploaded by: John Fiastro Position: FAV



HB639 - Smith
Restrictions on Use - Solar Collector Systems - Alteration
SUPPORT
Senate Judicial Proceedings Committee
April 4, 2023

Sunrun submits this testimony in support of HB 639, which clarifies and provides certain standards for establishing whether a restriction or condition on the installation of a rooftop solar energy system is unreasonable. Under current law, there is a question of fact as to when a restriction or condition on the installation of rooftop solar on real property is unreasonable because it either "(i) significantly increases the cost of the solar collector system" or "(ii) Significantly decreases the efficiency of the solar collector system." Determining what constitutes an unreasonable restriction involves subjective judgment as to what is a "significant" cost increase or decrease in efficiency. Such ambiguity and subjectivity is an invitation to litigation, a cost that would make any residential solar installation uneconomic.

While the solar industry was not the initial proponent of the bill, Sunrun appreciates the hard work of the bill sponsor, the Community Associations Institute, and others on improving the bill through amendments to expand the category of who is qualified to provide a trustworthy estimate of the impact of a condition on the cost or efficiency of a solar installation. This bill represents a meaningful step forward for all parties that will significantly narrow the scope of future disputes and help accelerate the deployment of customer-sited solar resources in Maryland.

Sunrun respectfully requests a favorable report for HB 639.

Contact: Thad Culley, 504-616-0181 <u>thad.culley@sunrun.com</u>

John Fiastro, 443-416-3842, john@fiastroconsulting.com