

TO: Members, Senate Judicial Proceedings Committee

FROM: Paul Pinsky - Director, MEA

SUBJECT: SB 593 - Condominiums - Common Elements - Clean Energy Equipment

DATE: March 7, 2023

MEA Position: FAVORABLE

Senate Bill 593, <u>Condominiums - Common Elements - Clean Energy Equipment</u> can help spur the adoption of "clean energy equipment" for multi-unit housing developments in the state.

While adoption of clean energy equipment such as solar photovoltaic installations has been generally strong in the state, penetration of clean energy equipment in multi-unit developments has faced unique challenges. This is, in part, due to a more complicated legal and procedural framework that must be navigated when installing clean energy equipment in or on a multi-unit development or its common elements.

SB 593 looks to lessen the burdens for adoption in multi-unit developments by reducing the percentage of unit owners (or representatives of owners) needed to approve development of clean energy equipment installations. Protections for unit owners, such as the ability to call for a "special meeting" regarding the grant for a clean energy equipment installation and even the ability to void the grant, remain in place.

Permitting greater access to clean energy equipment in multi-unit developments would also likely offer that access to low- and moderate-income communities and individuals that historically have not enjoyed the same opportunity to adopt clean energy equipment, nor enjoy the financial benefits thereof. MEA would note that Real Property § 11-125(f)(5)(4) may not remove the ability of a mortgagee to intervene due to other possible contractual or other legal rights held by a mortgagee.

For the forgoing reasons, MEA is asking the committee for an FAVORABLE report.