

SB 469 Task Force to Study Solar Tax Incentives (F

Uploaded by: Cait Kerr

Position: FAV

Thursday, March 30, 2023

TO: Vanessa Atterbeary, Chair of the House Ways and Means Committee; and Committee Members
FROM: Michelle Dietz, The Nature Conservancy, Director of Government Relations; and Cait Kerr, The Nature Conservancy, Conservation & Climate Policy Analyst
POSITION: Support SB 469 - Task Force to Study Solar Incentives

The Nature Conservancy (TNC) supports SB 469 offered by Senators Elfreth and Guzzone. In Maryland, TNC's work focuses on delivering science-based, on-the-ground solutions that secure clean water and healthy living environments for our communities, reducing greenhouse gas emissions and increasing resilience in the face of a changing climate. TNC has an institutional goal to help to reduce emissions by avoiding or sequestering 3 billion metric tons of carbon dioxide per year by 2030. We are dedicated to a future where people and nature thrive together.

SB 469 would establish a Task Force to better understand how Maryland can deploy and implement a tax strategy to maximize rooftop solar's use. This Task Force will look at how to maximize panel installation, how to promote connectivity for renewable energy generated by rooftop solar to the grid, and how solar energy can lend itself to meeting Maryland's renewable energy goals. Task Force membership will include Maryland state government officials, including members of General Assembly and the Secretary of the Maryland Energy Administration. In addition, other Task Force members will represent Maryland's counties, the solar energy industry and individuals with experience in solar installations, thereby equipping the Task Force with local and on-the-ground expertise.

The Climate Solutions Now Act of 2022 set state goals to reduce emissions by 60% by 2031 and reach net-zero by 2045. Governor Moore has set an even more ambitious goal for 100% renewable energy by 2035. These goals are achievable, but only by boldly and aggressively supporting renewable energy development, especially solar, even as we look to protect our cherished forests and the farmlands we rely on for our agricultural economy. In order to meet these goals, Maryland needs to take immediate actions to mitigate emissions in the state's highest producing sectors. Renewable energy sources and a clean energy economy are essential parts of reaching state, national, and global low-carbon energy goals and combatting the negative health and environmental impacts caused by fossil fuels. By establishing a Task Force to study solar tax incentives, Maryland can position itself to implement the best possible strategies in our state to maximize renewable solar energy generation and usage across the state. Maryland decisionmakers can use this study's information and recommendations to work toward achieving our state's ambitious emissions reductions goals.

TNC commends Senators Elfreth and Guzzone for continuing to raise the bar for Maryland's climate commitments and advancing climate solutions that can provide valuable environmental, economic, and public health co-benefits for years to come. We also support the amendments recommended by the Maryland League of Conservation Voters and believe that these would strengthen the bill.

Therefore, we urge a favorable report on SB 469.

BaltimoreCounty_FAV_SB0469.pdf

Uploaded by: Joshua Greenberg

Position: FAV



JOHN A. OLSZEWSKI, JR.
County Executive

JENNIFER AIOSA
Director of Government Affairs

AMANDA KONTZ CARR
Legislative Officer

JOSHUA M. GREENBERG
Associate Director of Government Affairs

BILL NO.: **SB 469**

TITLE: Task Force to Study Solar Tax Incentives

SPONSOR: Senator Elfreth

COMMITTEE: Ways and Means

POSITION: **SUPPORT**

DATE: March 30, 2023

Baltimore County **SUPPORTS** Senate Bill 469 – Task Force to Study Solar Tax Incentives. This legislation would establish the Task Force to Study Solar Tax Incentives.

SB 469 would establish a task force to study and make recommendations regarding a tax strategy that is more competitive than the current state strategy to maximize grid-connected generation of renewable energy and to meet the RPS. The membership of the task force is well balanced between authoritative agencies and relevant industries, including the Senate of Maryland, State House of Delegates, MEA, the PSC, and SDAT.

By implementing a deliberative review of the State’s current solar tax incentives, SB 469 would empower Maryland to be a leader in attracting more sources of clean, renewable energy for years to come.

Accordingly, Baltimore County requests a **FAVORABLE** report on SB 469. For more information, please contact Jenn Aiosa, Director of Government Affairs at jaiosa@baltimorecountymd.gov.

SB 469 - FAV - MML.pdf

Uploaded by: Justin Fiore

Position: FAV



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

March 30, 2023

Committee: House Ways and Means Committee

Bill: SB 469 – Task Force to Study Solar Tax Incentives

Position: Support

Reason for Position:

The Maryland Municipal League supports Senate Bill 469, which would establish the Task Force to Study Solar Tax Incentives with the goal of identifying a tax strategy that is more competitive than the State's current strategy.

Combatting climate change has been a strategic initiative of our cities and towns for the past several years. Ensuring solar is competitive is a critical component of making the switch to more renewable sources of energy. The League appreciates and favors this approach to a patchwork of state and local tax credits and is grateful for a seat at the table.

Therefore, MML respectfully requests that this committee provide a favorable report on SB 469.

FOR MORE INFORMATION CONTACT:

Theresa Kuhns

Angelica Bailey Thupari, Esq.

Bill Jorch

Justin Fiore

Chief Executive Officer

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SB469 Task Force Study Solar Tax Incentives_Ways &

Uploaded by: Laurie McGilvray

Position: FAV



Committee: Ways and Means
Testimony on: SB469 – Task Force to Study Solar Tax Incentives
Organization: Maryland Legislative Coalition Climate Justice Wing
Submitting: Laurie McGilvray, Co-Chair
Position: Favorable
Hearing Date: March 30, 2022

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of SB469. The Maryland Legislative Coalition Climate Justice Wing, a statewide coalition of over 50 grassroots and professional organizations, urges you to vote favorable on SB469.

SB469 establishes a Task Force to Study Solar Tax Incentives and make recommendations to the General Assembly by December 15, 2023 on improving the State’s tax strategy to maximize rooftop solar installation; promote the installation of grid-connected renewable energy; and meet the State’s renewable energy goals. We also support sponsor amendments to the bill that would broaden the Task Force’s charge to consider other incentives beyond tax incentives, such as the cost of Solar Renewable Energy Credits and potential alternative compliance payments from utilities that do not meet the Clean Energy Jobs Act solar energy goals.

Currently, Maryland’s solar energy tax incentives include four types: 1) sales and use tax exemption; 2) property tax exemption; 3) assessment (for property tax purposes) of solar energy heating and cooling systems; and 4) authorization of local property tax credit. These incentives are designed to promote solar energy generation and to help the State meet its Renewable Portfolio Standard (RPS) carve-out for solar.

In 2023, the RPS requirement is 31.9% from Tier 1 sources, including at least 6.0% from solar. Electric utilities and other electricity suppliers must submit renewable energy credits equal to a percentage of their retail electricity sales or pay an alternative compliance payment for the shortfall. This year, there is an unprecedented level of alternative compliance payment funds, because electric utilities and suppliers have missed the RPS goals.

SB469 will create a Task Force to study incentives for solar generation and ensure the General Assembly has recommendations for how to maximize various incentives to promote more solar generation in Maryland. We support SB469 and recommend a **FAVORABLE** report in committee.

SB 469 CBF FAV W&M.pdf

Uploaded by: Matt Stegman

Position: FAV



CHESAPEAKE BAY FOUNDATION

*Environmental Protection and Restoration
Environmental Education*

Senate Bill 469

Task Force to Study Solar Tax Incentives

Date: March 30, 2023

To: Ways & Means Committee

Position: **Favorable**

From: Matt Stegman
Maryland Staff Attorney

Chesapeake Bay Foundation (CBF) **SUPPORTS** SB 469 which establishes a task force to study Maryland's tax incentives for solar energy generation and use. The task force will make a report with recommendations to the General Assembly ahead of the 2024 legislative session.

CBF generally supports accelerating the transition to solar power as a way to reduce greenhouse gases from the combustion of fossil fuels which are causing climate instability and oxides of nitrogen, which become bay pollutants when it rains. However, in some instances solar projects present a risk of adverse impacts on forests or the loss of environmentally beneficial farmland.¹ Establishing the task force created by SB 469 is a prudent decision and will help ensure that Maryland's tax incentives for solar energy align with the state's other environmental, labor, and equity priorities and are designed to be attractive to consumers and the industry alike.

CBF urges the Committee's FAVORABLE report on SB 469.

For more information, please contact Matt Stegman, Maryland Staff Attorney, at mstegman@cbf.org.

¹ For additional information on solar best practices, see "Principles and Practices for Realizing the Necessity and Promise of Solar Power.", *Chesapeake Bay Foundation*, April 2020, <https://www.cbf.org/document-library/cbf-guides-fact-sheets/principles-and-practices-for-solar-power.pdf>

Maryland Office • Philip Merrill Environmental Center • 6 Herndon Avenue • Annapolis • Maryland • 21403

The Chesapeake Bay Foundation (CBF) is a non-profit environmental education and advocacy organization dedicated to the restoration and protection of the Chesapeake Bay. With over 300,000 members and e-subscribers, including over 109,000 in Maryland alone, CBF works to educate the public and to protect the interest of the Chesapeake and its resources.

MD Catholic Conference_FAV_SB0469.pdf

Uploaded by: MJ Kraska

Position: FAV



MARYLAND
CATHOLIC
CONFERENCE

March 29th, 2023

SB 469

Task Force to Study Solar Tax Incentives

House Ways & Means Committee

Position: Favorable

The Maryland Catholic Conference is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals, and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

Senate Bill 469 establishes a Task Force to Study Solar Tax Incentives. The task force must study and make recommendations regarding a tax strategy that is more competitive than the State's current strategy to (1) maximize the installation of rooftop solar panels; (2) facilitate and promote installation of grid-connected generation of renewable energy; and (3) meet the State's renewable energy goals. Members of the task force may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations. The Maryland Energy Administration (MEA) must provide staff for the task force, and the Director of MEA must designate its chair. The task force is required to report its findings and recommendations to the General Assembly by December 15, 2023.

As Pope Francis has written, climate change "*represents one of the principal challenges facing humanity in our day*" (*Laudato Si'*, no. 25), threatening the wellbeing of peoples and the environment. Catholic social teaching envisions a sustainable and authentic human development, where technological solutions respect the principle of integral ecology and consider social, economic and ecological considerations.

Senate Bill 469 aims to address the much-needed investment in renewable energy policies to be set to sustain and achieve a healthy global ecosystem. We encourage discussion around the components and goals outlined in this legislation and hope they are a catalyst for positive social and ecological outcomes.

The Conference appreciates your consideration and, for these reasons, respectfully requests a **favorable** report on Senate Bill 469.

OPC Testimony SB0469 in the House - Favorable as a

Uploaded by: Mollie Soloway

Position: FAV

DAVID S. LAPP
PEOPLE'S COUNSEL

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BRANDI NIELAND
DIRECTOR, CONSUMER
ASSISTANCE UNIT

BILL NO.: Senate Bill 469
Task Force to Study Solar Tax Incentives

COMMITTEE: Ways & Means

HEARING DATE: March 30, 2023

SPONSOR: Senators Elfreth & Guzzone

POSITION: Favorable as amended by the Senate

The Office of People's Counsel (OPC) supports Senate Bill 469 as amended by the Senate. SB 469 will create a broad-based task force of government and private entities to analyze and make recommendations to the General Assembly on the use of tax incentives to facilitate and promote the installation of grid connected renewable energy projects. The development of more renewable energy projects will assist the State in meeting the goals of the Renewable Portfolio Standard and reduce greenhouse gas emissions.

Encouraging renewable energy developers to locate projects—particularly utility scale solar projects—on less productive land, such as rooftops, brownfields, and abandoned mining sites, is an important way to avoid conflicts between the expansion of solar projects, on the one hand, and the preservation of natural resources and removal of highly productive land from agricultural uses, on the other, ultimately allowing for the siting of more solar projects. A number of other states have adopted tax strategies to incentivize the location of solar projects, and OPC supports the development of such incentives here in Maryland.

OPC appreciates the amendment passed in the Senate adding the People's Counsel or the People's Counsel's designee as a member of the Task Force. OPC represents the interests of residential customers in Certificate of Public Convenience and Necessity (CPCN) proceedings before the Public Service Commission. OPC also has an interest in the expanded development of renewable energy projects to increase the availability of

those sources for electricity generation in the State. As such, we are well-positioned to assist the Task Force in its important work seeking to maximize the potential for solar development and to meet the State's renewable energy goals. This addition would also be consistent with the bill's inclusion of the State's other energy policy agencies, the Public Service Commission and the Maryland Energy Administration.

Recommendation: OPC requests a favorable report for SB 469 as amended by the Senate.

SB 0469, FAV, House, OCE Testimony, JF, LS23.pdf

Uploaded by: Victoria Venable

Position: FAV



FREDERICK COUNTY GOVERNMENT
OFFICE OF THE COUNTY EXECUTIVE

Jessica Fitzwater
County Executive

SB 0469 - Task Force to Study Solar Tax Incentives

DATE: March 30, 2023
COMMITTEE: House Ways and Means Committee
POSITION: Favorable
FROM: The Office of Frederick County Executive Jessica Fitzwater

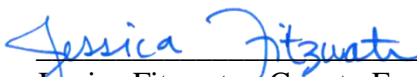
As the County Executive of Frederick County, I urge the committee to give **SB 0469 - Task Force to Study Solar Tax Incentives** a favorable report.

This bill would establish a Task Force to Study Solar Tax Incentives and make recommendations regarding a tax strategy that is more competitive than the State's current strategy.

As our communities work to balance the need to shift to renewable energy as a way to mitigate climate change with the need to conserve farmland, forest land, and open space, tax incentives can be an effective tool. Maryland has a long history of using financial incentives to stimulate the clean energy industry and make commercial and residential solar more financially attractive. As the landscape of this industry changes and we continue moving towards our Renewable Portfolio Standard goals, it is imperative that we make the most out of our tax strategy.

SB 0469 is an important step towards strengthening this tool. As the County Executive of Frederick County, where balancing clean energy production and conservation is particularly important to my constituents, I commend the sponsor for enumerating a balanced list of members for the proposed Task Force. I believe it is crucially important that local leaders contribute to this conversation and the allocation of membership to both the Maryland Association of Counties and the Maryland Municipal League ensures that local voices will be at the table.

Thank you for your consideration of SB 0469. I urge the committee to give SB 0469 a favorable report.



Jessica Fitzwater, County Executive
Frederick County, MD

SB469 Advocates for Herring Bay ADDITIONAL AMENDME

Uploaded by: Dru Schmidt-Perkins

Position: FWA

SB 649 TASK FORCE TO STUDY SOLAR TAX INCENTIVES

Additional amendment:

(H) THE TASK FORCE IN DEVELOPING THEIR RECOMMENDATIONS SHALL CONSIDER THE AVAILBITY OF FEDERAL TAX INCENTIVES; ECONONIMIC IMPACTS OF THE INCENTIVES ON LOW AND MODERATE INCOME HOUSEHOLDS; AND APPROACHES USED BY OTHER STATES TO ENCOURAGE SPECIFIC LOCATIONS FOR SOLAR ENERGY GENERATION.

SB469-FAV-AdvocatesForHerringBay.pdf

Uploaded by: Dru Schmidt-Perkins

Position: FWA

Testimony of the Advocates for Herring Bay
Regarding SB 469: Task Force to Study Solar Tax Incentives
Submitted by Stephen Marley, March 28, 2023

Favorable, with comments on clarifying amendments

The Advocates for Herring Bay commend the sponsors of SB 469 for creating a Task Force to advise lawmakers on tax policies that will help Maryland retain forests and farmland by encouraging the installation of large solar arrays on rooftops.¹ We respectfully offer four recommendations aimed at facilitating the panel's work.

Learn from the experience of other states. Several states have designed incentives for different types of solar installations. Reviewing their economic analyses would jumpstart the panel's research and offer insights into the practical implications of various approaches. For example:

- Massachusetts tailors the size of incentives to project costs. As of 2022, large rooftop systems received premiums of 1.9 cents per kilowatt-hour, brownfields 3 cents, landfills 4 cents, and canopies 6 cents. The state also has a pollinator adder of two-tenths of a cent.²
- New Jersey varies SREC payments by the size and location of the project, with different incentives for grid-connected and net-metered solar projects.³
- New York is in the process of updating its incentives for community solar systems to account for the effects of the federal tax incentives enacted in the Inflation Reduction Act of 2022.⁴
- Researchers in California have studied the socioeconomic impacts of solar incentives, finding that some approaches may pose higher burdens on low-income households than others.⁵

Give the Maryland Energy Administration (MEA) enough time to study optimal incentives.

Key takeaways from other states are that financial incentives should reflect the costs of each type of project; be adjusted for the effects of new federal tax benefits; and consider the impacts on household budgets. Otherwise, Maryland runs the risk of providing incentives that are lower than needed to support some projects and higher than needed for others, which could distort private investment decisions and misallocate taxpayer funds. Even if MEA only studies rooftop systems, identifying optimal incentives by the bill's December 2023 deadline will be challenging given the varied size and market prices of grid-connected and community solar projects.⁶ If the scope of work is expanded to include other types of surfaces, the deadline needs to be extended correspondingly.

Choose members with expertise in tax and financial analysis. Given the complexity of solar markets, we believe lawmakers will be best served if the recommendations are crafted by recognized experts on tax policy and the financing of solar generation facilities.

Clarify the scope of new incentives for community solar systems. SB 469 as amended directs the Task Force to recommend tax incentives for community solar projects. As written, those recommendations would be for all types of community solar projects, including those built on forested and agricultural land. We ask that the text be revised to narrow the scope to community solar projects installed on surfaces like rooftops, which do not impact ecologically valuable lands.

¹ The Advocates for Herring Bay, Inc. is a community-based environmental group in Anne Arundel County that since 2019 has [testified in favor of financial incentives](#) for solar installed on previously developed surfaces.

² See Massachusetts SMART program, [Compensation Adder Guidelines](#), extracted March 26, 2023.

³ See [New Jersey solar incentive programs](#), extracted March 26, 2023.

⁴ See notice of New York's [temporary suspension of adders pending updates](#), extracted March 26, 2023.

⁵ See [Haas Energy Institute 2022 study on the impacts of rate design on equity and electrification](#).

⁶ The prices paid for grid-connected generation are largely determined in competitive markets. Community solar projects are guaranteed a fixed price through net energy metering payments, regardless of their costs.

SB469 - Solar Incentives Task Force.pdf

Uploaded by: Kristen Harbeson

Position: FWA



Kim Coble
Executive Director

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Katherine (Kitty)
Thomas

March 29, 2023

SUPPORT WITH AMENDMENTS - SB469: Task Force to Study Solar Tax Incentives

Madame Chair and Members of the Committee:

Maryland LCV supports SB469: Task Force to Study Solar Tax Incentives, and thanks Senator Elfreth for her leadership on this issue.

In 2019, the Maryland General Assembly passed the Clean Energy Jobs Act, which set a target of advancing our state's Renewable Portfolio Standard to reach 50% renewable energy by the year 2030. Governor Moore has furthered this goal by committing to 100% clean energy generation in Maryland by the year 2035. These ambitious goals are achievable only through continued bold action by this body. It also will require thoughtful consideration of the tools available to the state that can be brought to bear to reach those goals. SB469 seeks to contribute to this goal by creating a task force to study the solar industry and the tax incentives that can be offered to support the development of a competitive industry.

Maryland LCV strongly supports this goal, and offers amendments encouraging this committee to broaden the charge of the task force to consider not just tax incentives, but other incentives available to the state, including the cost of Solar Renewable Energy Credits and the potential distribution of resources from the fund supported by alternative compliance payments for non-attainment of the goals outlined by the Clean Energy Jobs Act. By examining the needs of different sectors within the solar industry, and all available incentives and financing opportunities, including examining examples from other states, the task force may create a plan that will allow Maryland to better become a more competitive market for solar energy generation.

Below are recommendations for amendments to broaden the task force membership and mission, which we offer for consideration by this committee. We would be pleased to work with through their discussions of this legislation, but encourage swift action on moving this legislation to the Governor's desk.

Maryland LCV strongly urges a favorable report on SB469.

- Amend Title, remove “tax”
- (a) (9) (i) ~~one~~ **TWO** representative**S** designated by the Maryland Minority Contractors Association
- (a) (11) four representatives of the solar energy industry, appointed by the Governor including:
 - (i) ~~at least one~~ representatives with a history of working with solar panels installed on **RESIDENTIAL** rooftops
 - (ii) ~~at least one~~ representatives with a history of working with solar panels installed on the ground; ~~and~~
 - (iii) at least one representative with a history of working with community solar energy generation; **AND**
 - (iv) **AT LEAST ONE REPRESENTATIVE WITH A HISTORY OF WORKING WITH AGGREGATE NET METERING ENERGY GENERATION**
- (a) (12) **TWO REPRESENTATIVES FROM ENVIRONMENTAL ADVOCACY GROUPS**
- (a) (13) **ONE REPRESENTATIVE FROM AN ORGANIZATION WITH A HISTORY OF WORKING WITH LOW AND MODERATE INCOME SOLAR CONSUMERS**
- (g) The task force shall study and make recommendations regarding **AN INCENTIVE** ~~tax~~ strategy that is more competitive than the State’s current strategy to maximize the installation of ~~rooftop solar panels and community solar energy generating systems,~~ **RESIDENTIAL SOLAR, COMMERCIAL SOLAR, AND COMMUNITY SOLAR GENERATING SYSTEMS, AND SOLAR ENERGY SYSTEMS IN THE STATE THAT ARE LOCATED ON PREVIOUSLY DEVELOPED PROPERTY NOT TARGETED FOR MITIGATION OR RESTORATION, INCLUDING ROOFTOPS, PARKING CANOPIES, BROWNFIELDS, AND ENERGY OR TRANSPORTATION RIGHTS OF WAYS**, to facilitate and promote installation for grid-connected generation of renewable energy, and to meet the state’s renewable energy goals. Recommendations may include tax incentive structures, **AS WELL AS OTHER FINANCIAL INCENTIVES THAT ARE AVAILABLE TO THE STATE**

SB469_MDSierra_fwa_W&M 30March2023.pdf

Uploaded by: Mark Posner

Position: FWA



P.O. Box 278
Riverdale, MD 20738

Committee: Ways and Means
Testimony on: SB469 “Task Force to Study Solar Tax Incentives”
Position: Support with Amendments
Hearing Date: March 30, 2023

The Maryland Chapter of the Sierra Club urges the Committee to report SB469 favorably with amendments.

The bill, as passed by Senate, would establish a task force to examine whether the State should offer further tax incentives to better incentivize expansion of the State’s solar electricity capacity, particularly rooftop solar and community solar.¹ As this session has progressed, and several bills have been considered that would support solar expansion in different ways, the importance of undertaking the study envisioned by SB469 has been underscored and, in addition, it has become apparent that a somewhat broader study is needed than is specifically called for by this bill.

Accordingly, we recommend that the study be expanded in three ways. First, so as to be more comprehensive, the study should examine the full range of potential new or modified incentives, instead of being limited to consideration of tax incentives.² Second, in addition to rooftop solar and community solar, the study should examine options for incentivizing solar installations on certain types of previously developed property not designated for mitigation or restoration (such as parking canopies, brownfields, and energy and transportation rights of way). Third, to better reflect the variety of viewpoints present in solar discussions, a few additional members should be designated for the task force, including representatives of environmental organizations, the aggregate net metering industry, and low- and moderate-income solar consumers.

Maryland needs to accelerate its development of solar energy. The General Assembly has established as a target that solar energy will constitute 14.5% of the State’s energy consumption by 2030. This represents about 6,200 megawatts (MW) of solar, and is the minimum needed to meet Maryland’s greenhouse gas reduction goal of a 60% reduction (compared to 2006 levels) by 2031. For a variety of reasons, however, solar development has not met the State’s year-by-

¹ The task force would “study and make recommendations regarding a tax strategy that is more competitive than the State’s current strategy to maximize the installation of rooftop solar panels and community solar energy generating systems, to facilitate and promote installation of grid-connected generation of renewable energy, and to meet the State’s renewable energy goals.”

² The State’s Renewable Portfolio Standard incentivizes solar installations through the Solar Renewable Energy Credit (SREC), however, there are concerns that, as currently designed, the SREC price will decrease in a manner that will undercut the effectiveness of this incentive. The State also now has a large amount of money in the Strategic Energy Investment Fund specifically set aside for solar due to recent Alternative Compliance Payments by energy suppliers prompted by their inability to procure the statutorily-established solar energy minimum amounts.

year interim targets for achieving the 14.5% goal.³ The Solar Energy Industries Association estimates that Maryland had about 1,670 MW of solar at the end of 2022;⁴ this means that Maryland will need to develop 4,530 MW of solar from 2023 to 2030 to achieve the 14.5% target, which would require Maryland to more than double its current rate of solar development.

Maryland has set ambitious goals for transitioning to clean energy. To do this successfully, given the reality of constrained budgets, it is important for policymakers to have reliable information on available options, including their scale (expected reduction of greenhouse gas emissions), cost-efficiency, timing, and distributional impacts. We believe that the task force proposed by this legislation, expanded in the manner described above, can provide these types of information in considering how to better incentivize solar installations.

For these reasons, we urge a favorable with amendments report on SB469.

Mark Posner
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Josh Tulkin
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³ Recently, at least in part due to the COVID pandemic, the cost of installing solar panels on rooftops has substantially increased. Other forms of solar development also have been negatively impacted by the cost increases. There currently are growth limitations on community solar due to its status as a pilot program (which would be addressed by HB908, which passed the House and would make the community solar program permanent). Utility-scale solar projects have encountered significant delays in receiving the requisite grid-connection approvals from the PJM regional transmission system (there are about six gigawatts of proposed Maryland solar generation projects on hold at PJM while that entity works through its lengthy queue of applications).

⁴ <https://www.seia.org/sites/default/files/2023-03/Maryland.pdf>.

SB 469HouseWAM_IndivisibleHoCoMD_FWA_VirginiaSmith

Uploaded by: Virginia Smith

Position: FWA



SB469 – Task Force to Study Solar Tax Incentives

Testimony before

House Ways and Means Committee

March 30, 2023

Position: Favorable with Amendments

Mdm. Chair, Mdm. Vice Chair and members of the committee, my name is Virginia Smith, and I represent the 750+ members of Indivisible Howard County. We are providing written testimony today in **support of SB469**, which would establish a task force to study solar tax incentives. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We appreciate the leadership of Senators Elfreth and Guzzone in sponsoring this important legislation.

The state of Maryland passed legislation in 2019 that mandated the state to get half of its electricity from renewable energy sources by 2030, and while campaigning, current Governor Moore pledged to be at 100% clean energy by 2035. To meet either goal, the state will need to better incentivize the use of renewable energy. This task force would study and make recommendations regarding the states' strategy as it relates to solar energy, with the aim to make it more competitive than the current strategy. However, it would also consider the incentives in light of the need to preserve the state's agricultural land and forest land. It would be a fast-acting task force that would be required to complete its report by December 15, 2023, and on June 30, 2024, the act will be repealed.

However, we also agree with amendments submitted by the MD League of Conservation Voters, which includes removing 'tax' from the title, so other incentives are also included. We also agree that in section 1(a)(9) there should be two minority contractor representatives. In Section 1(a)(11) it should specifically be a residential rooftop installer who is one of the representatives of the solar energy industry and two additional representatives should be added that are environmental advocates.

For these reasons, we support SB469 with amendments.

Thank you for your consideration of this important legislation.

We respectfully urge a favorable report.

Virginia Smith
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