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Economic Matters Committee

Chair
Property and Casualty Insurance
Subcommittee



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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Senator Brian J. Feldman
Chairman, Education, Energy, and the Environment Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

Mr. Chairman,

I am writing to express support of HB 1111, the Public Utilities - Solar Energy Generating Systems - Floating Systems and Systems Located on Brownfields Act.

The HB 1111, the Public Utilities - Solar Energy Generating Systems - Floating Systems and Systems Located on Brownfields Act:

- Expands eligibility for the Small Solar Energy Generating System Incentive Program under the Brighter Tomorrow Act to include certain floating solar energy systems and solar projects on brownfields
- Sets certification requirements for eligible solar energy generating systems. To qualify, a system must:
 - Be located in Maryland and eligible for inclusion in the Renewable Energy Portfolio Standard
 - Have a generating capacity of 5 megawatts or less
 - Be placed in service between July 1, 2024, and January 1, 2028
 - Meet one of the following conditions: have generating capacity of 20 kilowatts or less, have a generating capacity of 2 megawatts or less if used for aggregate net metering, have generating capacity between 20 kilowatts and 5 megawatts if located on a rooftop, parking canopy, brownfield, or floating system
- Ensures eligibility for Solar Renewable Energy credits (SRECs). The Commission will certify qualifying solar systems as Tier 1 renewable sources eligible to generate SRECs. To receive certification an applicant must submit:
 - A request form for SREC certification
 - A copy of the interconnection agreement with the applicant's electric company, confirming eligibility
 - If located on or over a roof, parking lot, or navigable body of water, a copy of the final local building permit approval
 - If located on a brownfield, documentation proving the system is on a brownfield site

- Removes property taxes for non residential solar energy systems installed on rooftops, parking facility canopies, brownfields, or floating systems

In 2024, the Maryland Senate passed SB 0783: Renewable Energy – Net Energy Metering Aggregation, Solar Renewable Energy Credits, and Taxes on Solar Energy Generating Systems (Brighter Tomorrow Act), to expand the types of solar facilities eligible for subsidies, improve subsidy levels, and enhance access to clean energy incentives, particularly for workers and low to moderate income individuals.¹ HB 1111 builds on this initiative by incorporating floating solar systems and brownfield solar projects into the program.

A brownfield is an abandoned or contaminated site where redevelopment is burdensome due to environmental concerns. Repurposing these sites for solar energy presents an opportunity to generate clean power while avoiding environmental issues associated with greenfield development.² Furthermore, brownfields are often near existing power lines and infrastructure, reducing construction costs during grid connection.³ Similarly, floating solar systems are solar arrays positioned on top of calm bodies of water such as lakes and dams, secured with buoyant structures that allow them to float on the surface of water.⁴ The electricity generated through these systems are harnessed from the arrays through underwater cables to a transmission tower. These systems allow for enhanced efficiency in comparison to standard land-base solar in terms of space, overheating, and reduced installation costs.⁵

Maryland has taken a significant step toward reducing statewide greenhouse gas emission by passing the Climate Solutions Now Act of 2022, which set a goal of reducing statewide emission by 60% from 2006 levels by 2031, and achieving net-zero by 2045. To meet these ambitious targets, the state must prioritize clean, accessible, and sustainable energy sources. Thus, expanding the transition to renewables, such as solar, through the incentives provided by HB 1111 is essential.

Overall, HB 1111 expands eligibility for the Small Solar Energy Generating System Incentive Program to include floating solar systems and solar projects on brownfields. It also exempts these systems from certain property taxes, further incentivizing clean energy development. HB 1111 aligns with Maryland’s clean energy initiatives, including the Maryland Clean Energy Jobs Act of 2019, which requires 50% of the state’s energy to come from renewable sources by 2030, with 14.5% from in-state solar (Section 5–1501(a) (2019)).⁶

¹ Md. Code Ann § Section 7–306(g) (2024)

² Brownfields redevelopment, Encore Renewable Energy, <https://encorerenewableenergy.com/services/brownfields-redevelopment/>

³ Id., at 2

⁴ The Advantages and Disadvantages of Floating Solar, Mibet Energy (2024), <https://www.mbt-energy.com/news/industry/2106181.html>

⁵ Id., at 4

⁶ Md. Code Ann § Section 5–1501(a) (2019)

This bill exempts non residential solar energy generating systems that are approved by the Public Service Commission under the Public Utilities Article on or after July 1, 2024, from property tax. This Act will take effect July 1, 2025.

Thank you for your consideration, I urge a favorable report on HB 1111.

Respectfully,

A handwritten signature in black ink, appearing to read "David Fraser-Hidalgo", with a stylized flourish at the end.

Delegate David Fraser-Hidalgo