

HOUSE BILL 1085

L6, M3, C5

0lr3105

By: **Delegates Mizeur and Hecht**

Introduced and read first time: February 17, 2010

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Clean Energy Loan Programs – Renewable Energy Projects**

3 FOR the purpose of altering the purpose of a certain Clean Energy Loan Program to
4 include providing loans to commercial property owners for the financing of
5 renewable energy products with an electric generating capacity of not more
6 than the equivalent thermal energy output measured in BTUs equivalent to a
7 certain amount of kilowatts; and generally relating to Clean Energy Loan
8 Programs.

9 BY repealing and reenacting, with amendments,
10 Article 24 – Political Subdivisions – Miscellaneous Provisions
11 Section 9–1502
12 Annotated Code of Maryland
13 (2005 Replacement Volume and 2009 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article 24 – Political Subdivisions – Miscellaneous Provisions**

17 9–1502.

18 (a) A political subdivision may enact an ordinance or a resolution
19 establishing a Clean Energy Loan Program.

20 (b) The purpose of the Program is to provide loans to:

21 (1) Residential property owners, including low income residential
22 property owners, for the financing of energy efficiency and renewable energy projects;
23 and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) Commercial property owners for the financing of:

2 (i) Energy efficiency projects; and

3 (ii) Renewable energy projects with an electric generating
4 capacity of not more than 100 kilowatts **OR THE EQUIVALENT THERMAL ENERGY**
5 **OUTPUT MEASURED IN BTUS.**

6 (c) (1) The Program shall require a property owner to repay a loan
7 provided under the Program through a surcharge on the owner's property tax bill.

8 (2) A surcharge shall be limited to an amount that allows the political
9 subdivision to recover the costs associated with issuing bonds to finance the loan and
10 costs associated with administering the Program.

11 (d) A person who acquires property subject to a surcharge under this section,
12 whether by purchase or other means, assumes the obligation to pay the surcharge.

13 (e) (1) An ordinance or resolution enacted under subsection (a) of this
14 section shall provide for:

15 (i) Eligibility requirements for participation in the Program,
16 including eligibility requirements for:

17 1. Energy efficiency improvements and renewable
18 energy devices; and

19 2. Property and property owners; and

20 (ii) Loan terms and conditions.

21 (2) Eligibility requirements under paragraph (1) of this subsection
22 shall include a requirement that the political subdivision, in a manner substantially
23 similar to that required for a mortgage loan under §§ 12-127, 12-311, 12-409.1,
24 12-925, and 12-1029 of the Commercial Law Article, give due regard to the property
25 owner's ability to repay a loan provided under the Program.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2010.