

# HOUSE BILL 853

L1, M5

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By: **Chair, Economic Matters Committee (By Request – Departmental – Maryland Energy Administration)**

Introduced and read first time: February 3, 2020

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 11, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Local Government – Clean Energy Loan Programs – Grid Resilience Projects**

3 FOR the purpose of altering the purpose of a certain clean energy loan program established  
4 by a county or municipality to include loans to certain residential and commercial  
5 property owners to finance certain grid resilience projects; requiring a certain  
6 ordinance or resolution that establishes a certain clean energy loan program to  
7 include certain eligibility requirements for certain grid resilience projects; and  
8 generally relating to clean energy loan programs established by counties and  
9 municipalities.

10 BY repealing and reenacting, without amendments,  
11 Article – Local Government  
12 Section 1–1101 and 1–1102  
13 Annotated Code of Maryland  
14 (2013 Volume and 2019 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – Local Government  
17 Section 1–1103 and 1–1104  
18 Annotated Code of Maryland  
19 (2013 Volume and 2019 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



## 1 Article – Local Government

2 1–1101.

3 (a) In this subtitle the following words have the meanings indicated.

4 (b) “Bond” means a bond, note, or other similar instrument that a county or  
5 municipality issues under this subtitle.6 (c) “Chief executive” means the president, chair, mayor, county executive, or any  
7 other chief executive officer of a county or municipality.

8 (d) “Commercial property” means real property that is:

9 (1) not designed principally or intended for human habitation; or

10 (2) used for human habitation and is improved by more than four single  
11 family dwelling units.

12 (e) “Program” means a clean energy loan program established under this subtitle.

13 1–1102.

14 A county or municipality may enact an ordinance or a resolution to establish a clean  
15 energy loan program.

16 1–1103.

17 (a) The purpose of a program is to provide loans to:

18 (1) residential property owners, including low income residential property  
19 owners, to finance:20 **(I)** energy efficiency ~~and~~ **PROJECTS;**21 **(II)** renewable energy projects; **AND**22 **(III) GRID RESILIENCE PROJECTS WHEN INSTALLED WITH**  
23 **ENERGY EFFICIENCY PROJECTS OR RENEWABLE ENERGY PROJECTS;** and

24 (2) commercial property owners to finance:

25 (i) energy efficiency projects; [and]

26 (ii) renewable energy projects; **AND**

1 (III) GRID RESILIENCE PROJECTS WHEN INSTALLED WITH  
2 ENERGY EFFICIENCY PROJECTS OR RENEWABLE ENERGY PROJECTS.

3 (b) A private lender may provide capital for a loan provided to a commercial  
4 property owner under the program.

5 1-1104.

6 (a) An ordinance or resolution enacted under § 1-1102 of this subtitle shall  
7 provide for:

8 (1) eligibility requirements for participation in the program, including  
9 eligibility requirements for:

10 (i) energy efficiency improvements [and], renewable energy  
11 devices, **AND GRID RESILIENCE MEASURES**; and

12 (ii) property and property owners; and

13 (2) loan terms and conditions.

14 (b) Eligibility requirements under subsection (a) of this section shall include a  
15 requirement that the county or municipality give due regard to the property owner’s ability  
16 to repay a loan provided under the program, in a manner substantially similar to that  
17 required for a mortgage loan under §§ 12-127, 12-311, 12-409.1, 12-925, and 12-1029 of  
18 the Commercial Law Article.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 October 1, 2020.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.