

SENATE BILL 469

Q7, M5

(3lr2829)

ENROLLED BILL

— Budget and Taxation / Ways and Means —

Introduced by **Senators Elfreth and Guzzone**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Task Force to Study Solar ~~Tax~~ Incentives**

3 FOR the purpose of establishing the Task Force to Study Solar ~~Tax~~ Incentives; and
4 generally relating to solar ~~tax~~ incentives.

5 Preamble

6 WHEREAS, The State has set a State renewable energy goal; and

7 WHEREAS, The General Assembly recognizes the need to preserve the State's prime
8 agricultural land for agricultural production; and

9 WHEREAS, The General Assembly recognizes the need to preserve forest land and
10 tree canopy for clean air and clean water; now, therefore,

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.

Italics indicate opposite chamber / conference committee amendments.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That:

3 (a) There is a Task Force to Study Solar ~~Tax~~ Incentives.

4 (b) The Task Force consists of the following members:

5 (1) two members of the Senate of Maryland, appointed by the President of
6 the Senate;

7 (2) two members of the House of Delegates, appointed by the Speaker of
8 the House;

9 (3) the Director of the Maryland Energy Administration, or the Director's
10 designee;

11 (4) the Chairman of the Public Service Commission, or the Chairman's
12 designee;

13 (5) the Director of the State Department of Assessments and Taxation, or
14 the Director's designee;

15 (6) three representatives of the Maryland Association of Counties
16 representing rural, suburban, and urban counties, respectively, designated by the
17 Maryland Association of Counties;

18 (7) two representatives of organized labor, designated by the Maryland
19 State and District of Columbia AFL-CIO;

20 (8) one representative of the Office of People's Counsel, designated by the
21 People's Counsel;

22 (9) two representatives of the construction industry, including:

23 (i) one representative designated by the Maryland Minority
24 Contractors Association; and

25 (ii) one representative designated by the Associated Builders and
26 Contractors of Maryland;

27 ~~(7) (9)~~ (10) one representative of the Maryland Municipal League,
28 designated by the Maryland Municipal League; ~~and~~

29 ~~(8) (10)~~ (11) four representatives of the solar energy industry, appointed by
30 the Governor, including:

1 (i) ~~at least~~ one representative with a history of working with solar
2 panels installed on residential rooftops;

3 (ii) ~~at least~~ one representative with a history of working with solar
4 panels installed on the ground; ~~and~~

5 (iii) ~~at least~~ one representative with a history of working with
6 community solar energy generation servicing low- and moderate-income solar customers;
7 and

8 (iv) one representative with a history of working with aggregate net
9 metered solar energy generation; and

10 (12) two representatives of environmental advocacy groups, appointed by the
11 Governor.

12 (c) To the extent practicable, the membership of the Task Force shall reflect the
13 racial, gender, ethnic, and geographic diversity of the State, according to the most recent
14 census data.

15 ~~(d)~~ (d) The Director of the Maryland Energy Administration shall designate the chair
16 of the Task Force.

17 ~~(d)~~ (e) The Maryland Energy Administration shall provide staff for the Task Force.

18 ~~(e)~~ (f) A member of the Task Force:

19 (1) may not receive compensation as a member of the Task Force; but

20 (2) is entitled to reimbursement for expenses under the Standard State
21 Travel Regulations, as provided in the State budget.

22 ~~(f)~~ (g) The Task Force shall ~~study and make recommendations regarding a tax~~
23 ~~strategy that is more competitive than the State's current strategy to maximize the~~
24 ~~installation of rooftop solar panels and community solar energy generating systems, to~~
25 ~~facilitate and promote installation of grid-connected generation of renewable energy, and~~
26 ~~to meet the State's renewable energy goals;~~

27 (1) study:

28 (i) the impact of solar grant programs, tax credits and exemptions,
29 classification of solar energy property for assessment purposes, solar renewable energy
30 credits, and other financial incentives on the State's ability to meet the solar energy goals
31 established in the State's renewable energy portfolio standard under § 7-703 of the Public
32 Utilities Article;

1 (ii) the impact of federal solar energy incentives and how to maximize
2 the benefit of federal solar energy incentives in Maryland;

3 (iii) how the solar alternative compliance fee under § 7-705 of the
4 Public Utilities Article is calculated and its market relationship to the value of solar
5 renewable energy credits; and

6 (iv) whether different levels or types of incentives should exist for
7 different types of solar development, including customer-sited residential and
8 nonresidential, aggregated net metered, community, and utility scale, based on cost variance
9 and other factors; and

10 (2) make recommendations regarding measures and incentives needed to
11 ensure:

12 (i) that the State meets the solar energy goals established in the
13 State's renewable energy portfolio standard;

14 (ii) minority business enterprise participation in solar development
15 in the State;

16 (iii) that solar development in the State creates good quality,
17 family-sustaining jobs with training and outreach focused on the communities in which
18 solar development is occurring;

19 (iv) equitable access to renewable energy in the State; and

20 (v) the efficient use of land in the State by maximizing the production
21 of solar energy on previously developed property, including rooftops, parking canopies, and
22 brownfields sites or energy or transportation rights of way.

23 ~~(g)~~ (h) On or before December 15, 2023, the Task Force shall report its findings and
24 recommendations, in accordance with § 2-1257 of the State Government Article, to the
25 General Assembly.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
27 1, 2023. It shall remain effective for a period of 1 year and, at the end of June 30, 2024, this
28 Act, with no further action required by the General Assembly, shall be abrogated and of no
29 further force and effect.