HOUSE BILL 4

N1 HB 366/24 – ENT (PRE–FILED) 5lr1517 CF SB 120

By: Delegate Smith

Requested: October 30, 2024

Introduced and read first time: January 8, 2025 Assigned to: Environment and Transportation

Committee Report: Favorable

House action: Adopted

Read second time: February 11, 2025

CHAPTER _____

1 AN ACT concerning

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Restrictions on Use - Solar Collector Systems - Alteration

3 FOR the purpose of prohibiting a restriction on use regarding land use that increases the 4 cost of installing a solar collector system by at least a certain percentage over a 5 certain cost or that reduces the efficiency of the solar collector system by at least a 6 certain percentage under a certain level of energy generation; authorizing a 7 community association to prohibit the installation of a solar collector system in the 8 common area or common elements within the real estate development served by the 9 community association; authorizing a community association to impose reasonable 10 restrictions on the installation of a solar collector system in the common area or 11 common elements; authorizing a community association to install a solar collector 12 system in the common area or common elements provided the installation is not 13 otherwise prohibited by applicable law; and generally relating to regulation of solar 14 collector systems.

- 15 BY repealing and reenacting, with amendments,
- 16 Article Real Property
- 17 Section 2–119
- 18 Annotated Code of Maryland
- 19 (2023 Replacement Volume and 2024 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

21 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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

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(i)

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1 Article - Real Property 2 2-119.3 (a) (1) In this section the following words have the meanings indicated. "Restriction on use" includes any covenant, restriction, or condition 4 (2) 5 contained in: 6 A deed; (i) 7 (ii) A declaration; 8 A contract: (iii) 9 (iv) The bylaws or rules of a condominium or homeowners 10 association; 11 (v) A security instrument; or 12 (vi) Any other instrument affecting: 13 1. The transfer or sale of real property; or 14 2. Any other interest in real property. 15 "Solar collector system" means a solar collector or other solar energy (3)device, the primary purpose of which is to provide for the collection, storage, and 16 distribution of solar energy for electricity generation, space heating, space cooling, or water 17 18 heating. "Solar easement" means an interest in land that: 19 **(4)** 20 (i) Is conveyed or assigned in perpetuity; and 21(ii) Limits the use of the land to preserve the receipt of sunlight 22across the land for the use of a property owner's solar collector system. 23 A restriction on use regarding land use may not impose or act to impose (b) 24unreasonable limitations on the installation of a solar collector system on the roof or 25exterior walls of improvements, provided that the property owner owns or has the right to exclusive use of the roof or exterior walls. 2627 For purposes of paragraph (1) of this subsection, [an unreasonable limitation includes a limitation that: 28

Significantly increases the cost of the solar collector system; or

- 1 (ii) Significantly decreases the efficiency of the solar collector 2 system] A RESTRICTION ON USE IS UNREASONABLE IF APPLICATION OF THE 3 RESTRICTION ON USE TO A PARTICULAR PROPOSAL:
- 4 (I) INCREASES THE INSTALLATION COST OF THE SOLAR 5 COLLECTOR SYSTEM BY AT LEAST 5% OVER THE PROJECTED COST OF THE INITIALLY 6 PROPOSED INSTALLATION; OR
- 7 (II) REDUCES THE ENERGY GENERATED BY THE SOLAR 8 COLLECTOR SYSTEM BY AT LEAST 10% BELOW THE PROJECTED ENERGY 9 GENERATION OF THE INITIALLY PROPOSED INSTALLATION.
- 10 (3) (I) THE OWNER SHALL PROVIDE DOCUMENTATION THAT IS
 11 SATISFACTORY TO THE COMMUNITY ASSOCIATION TO SHOW THAT THE RESTRICTION
 12 IS UNREASONABLE UNDER PARAGRAPH (2) OF THIS SUBSECTION.
- 13 (II) THE DOCUMENTATION REQUIRED UNDER SUBPARAGRAPH
 14 (I) OF THIS PARAGRAPH SHALL BE PREPARED BY AN INDEPENDENT SOLAR PANEL
 15 DESIGN SPECIALIST WHO:
- 16 1. IS CERTIFIED BY THE NORTH AMERICAN BOARD OF CERTIFIED ENERGY PRACTITIONERS; OR
- 18 2. HAS ATTESTED BY AFFIDAVIT TO DESIGNING AT 19 LEAST 30 SOLAR COLLECTOR SYSTEMS IN THE COURSE OF TRADE WITHIN THE PRIOR 20 3 YEARS.
- 21 (4) (I) A COMMUNITY ASSOCIATION MAY PROHIBIT OR RESTRICT
 22 THE INSTALLATION OF A SOLAR COLLECTOR SYSTEM IN THE COMMON AREA OR
 23 COMMON ELEMENTS WITHIN THE REAL ESTATE DEVELOPMENT SERVED BY THE
 24 ASSOCIATION.
- 25 (II) A COMMUNITY ASSOCIATION MAY ESTABLISH REASONABLE
 26 RESTRICTIONS AS TO THE NUMBER, SIZE, PLACE, OR MANNER OF PLACEMENT OR
 27 INSTALLATION OF A SOLAR COLLECTOR SYSTEM INSTALLED IN THE COMMON AREA
 28 OR COMMON ELEMENTS.
- (III) NOTWITHSTANDING THE PROVISIONS OF THE GOVERNING
 30 DOCUMENTS AND PROVIDED THAT THE INSTALLATION IS NOT OTHERWISE
 31 PROHIBITED BY APPLICABLE LAW, THE BOARD OF DIRECTORS FOR A COMMUNITY
 32 ASSOCIATION SHALL HAVE DISCRETION TO INSTALL A SOLAR COLLECTOR SYSTEM
 33 IN THE COMMON AREA OR COMMON ELEMENTS WITHIN THE REAL ESTATE
 34 DEVELOPMENT SERVED BY THE COMMUNITY ASSOCIATION.

$\frac{1}{2}$	(c) (1) A property owner who has installed or intends to install a solar collector system may negotiate to obtain a solar easement in writing.
3	(2) Any written instrument creating a solar easement shall include:
4 5 6 7	(i) A description of the dimensions of the solar easement expressed in measurable terms, including vertical or horizontal angles measured in degrees or the hours of the day on specified dates when direct sunlight to a specified surface of a solar collector system may not be obstructed;
8 9	(ii) The restrictions placed on vegetation, structures, and other objects that would impair the passage of sunlight through the solar easement; and
10 11	(iii) The terms under which the solar easement may be revised or terminated.
12 13	(3) A written instrument creating a solar easement shall be recorded in the land records of the county where the property is located.
14 15 16	(d) This section does not apply to a restriction on use on historic property that is listed in, or determined by the Director of the Maryland Historical Trust to be eligible for inclusion in, the Maryland Register of Historic Properties.
17 18	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2025.
	Approved:
	Governor.
	Speaker of the House of Delegates.
	President of the Senate.