

HOUSE BILL 1111

C5, M5, Q1

5lr3018

By: **Delegate Fraser–Hidalgo**

Introduced and read first time: February 5, 2025

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2025

CHAPTER _____

1 AN ACT concerning

2 **Public Utilities – Solar Energy Generating Systems – ~~Floating Systems and~~**
3 **Systems Located on or Over Water Retention Ponds, Quarries, or Brownfields**

4 FOR the purpose of providing that ~~certain floating~~ solar energy generating systems located
5 on or over certain water retention ponds or quarries are eligible for the Small Solar
6 Energy Generating System Incentive Program; ~~exempting certain floating solar~~
7 ~~energy generating systems and solar energy generating systems located on~~
8 ~~brownfields from a certain property tax~~ authorizing the Mayor and City Council of
9 Baltimore City or the governing body of a county or municipal corporation to grant,
10 by law, a certain property tax credit against the county or municipal corporation
11 property tax imposed on certain nonresidential solar energy generating systems; and
12 generally relating to solar energy generating systems.

13 BY repealing and reenacting, without amendments,
14 Article – Public Utilities
15 Section 7–709.1(a)
16 Annotated Code of Maryland
17 (2020 Replacement Volume and 2024 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Public Utilities
20 Section 7–709.1(d) and (e)
21 Annotated Code of Maryland
22 (2020 Replacement Volume and 2024 Supplement)

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 BY ~~repealing and reenacting, with amendments,~~ adding to

2 Article – Tax – Property

3 Section ~~7-249~~ 9-275

4 Annotated Code of Maryland

5 (2019 Replacement Volume and 2024 Supplement)

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

8 **Article – Public Utilities**

9 7-709.1.

10 (a) (1) In this section the following words have the meanings indicated.

11 (2) “Brownfield” has the meaning stated in § 7-207 of this title.

12 (3) “Certified SREC” means a solar renewable energy credit generated by
13 a certified system.

14 (4) “Certified system” means a solar energy generating system certified by
15 the Commission under the Program to generate certified SRECs with the compliance value
16 specified in subsection (c) of this section.

17 (5) “Program” means the Small Solar Energy Generating System Incentive
18 Program.

19 (d) To be eligible for certification under the Program, a solar energy generating
20 system shall:

21 (1) be located in the State;

22 (2) be eligible for inclusion in meeting the renewable energy portfolio
23 standard;

24 (3) have a generating capacity of 5 megawatts or less, as measured by the
25 alternating current rating of the system’s inverter;

26 (4) be placed in service between July 1, 2024, and January 1, 2028,
27 inclusive; and

28 (5) be one of the following types of systems:

29 (i) a system with a generating capacity of 20 kilowatts or less, as
30 measured by the alternating current rating of the system’s inverter;

1 (ii) a system with a generating capacity of 2 megawatts or less, as
 2 measured by the alternating current rating of the system's inverter, if the system is used
 3 for aggregate net metering; or

4 (iii) a system with a generating capacity of between 20 kilowatts and
 5 5 megawatts, as measured by the alternating current rating of the system's inverter, if the
 6 system is **LOCATED ON OR OVER:**

7 **1. ~~located on~~ a rooftop;**

8 **2. a parking canopy, ~~or~~;**

9 **3. a brownfield; OR**

10 **~~2. A FLOATING SYSTEM~~**

11 **4. A WATER RETENTION POND OR QUARRY CURRENTLY**
 12 **OR PREVIOUSLY DESIGNATED FOR INDUSTRIAL USE.**

13 (e) Except as provided in subsection (f) of this section, the Commission, at the
 14 time of certifying a solar energy generating system as a Tier 1 renewable source, shall
 15 certify the system as eligible to generate certified SRECs in accordance with subsection (c)
 16 of this section if the applicant submits with its application for certification as a Tier 1
 17 renewable source:

18 (1) a form requesting to be certified to receive certified SRECs with the
 19 value specified in subsection (c) of this section;

20 (2) a copy of the interconnection agreement between the applicant and the
 21 applicant's electric company indicating that the size of the system is eligible;

22 (3) if seeking certification as a system located on or over ~~a roof, parking lot,~~
 23 ~~[or] parking structure, OR NONNAVIGABLE BODY OF WATER AN AREA SPECIFIED~~
 24 **UNDER SUBSECTION (D)(5)(III) OF THIS SECTION,** a copy of the final approval of the
 25 local building permit;

26 (4) if seeking certification as a system located on a brownfield,
 27 documentation demonstrating that the system is located on a brownfield;

28 (5) if seeking certification based on aggregated net metering, a copy of the
 29 aggregated net energy metering rider submitted with the interconnection agreement; and

30 (6) any other information required by the Commission.

1 9-275.

2 (A) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
3 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY GRANT, BY LAW,
4 A TAX CREDIT AGAINST THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX
5 IMPOSED ON A NONRESIDENTIAL SOLAR ENERGY GENERATING SYSTEM
6 CONSTRUCTED ON A BROWNFIELD OR A WATER RETENTION POND OR QUARRY
7 CURRENTLY OR PREVIOUSLY DESIGNATED FOR INDUSTRIAL USE.

8 (B) THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY OR THE
9 GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY PROVIDE, BY
10 LAW, FOR:

11 (1) THE AMOUNT AND DURATION OF THE TAX CREDIT UNDER THIS
12 SECTION;

13 (2) ADDITIONAL ELIGIBILITY CRITERIA FOR THE TAX CREDIT UNDER
14 THIS SECTION; AND

15 (3) ANY OTHER PROVISION NECESSARY TO CARRY OUT THIS SECTION.

16 ~~7-249.~~

17 ~~(a) This section applies only to nonresidential solar energy generating systems~~
18 ~~that are approved by the Public Service Commission under § 7-207 or § 7-207.1 of the~~
19 ~~Public Utilities Article on or after July 1, 2024.~~

20 ~~(b) Nonresidential solar energy generating systems that are constructed on the~~
21 ~~rooftops of buildings [or on], parking facility canopies, OR BROWNFIELDS, OR THAT ARE~~
22 ~~FLOATING SYSTEMS, are not subject to valuation or to property tax.~~

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
24 1, 2025.