



**Committee:** Budget & Taxation

**Testimony on:** SB264 - Community Solar Energy Generation Systems-Exemption from Energy & Property Taxes

**Organization:** Greenbelt Climate Action Network

**Submitting:** Lore Rosenthal, Program Coordinator

**Position:** Favorable

**Hearing Date:** January 25, 2022

Dear Chairman Guzzone and Committee Members:

The Greenbelt Climate Action Network (GCAN) is writing in support of **SB264 - Community Solar Energy Generation Systems-Exemption from Energy & Property Taxes**.

GCAN's mission is to educate residents about climate change, "systemic" solutions, how they can change their behaviors to be more sustainable, and take personal, local, systemic, and political action.

Community Solar is an important program in Maryland, first passed into law in 2015.

The Maryland program capacity is divided into three buckets:

Small (30%): including projects 500 kilowatts and smaller, or placed on brownfield or existing structures

Open (40%): any project up to 2 megawatts in size

Low- and Moderate-income (30%): any project up to the 2-megawatt limit serving 30% or more low-to-moderate income participants, and at least 10% low-income participants

Many "small" and "open" solar projects have been built. The Low-and-Moderate-Income (LMI) bucket has been harder to finance. These projects must be built more affordably, in order to offer good pricing (20% cheaper than "dirty energy" Standard Offer of Service), to make them affordable for LMI families.

Many projects have been attempted on rooftops and parking lots, but the price to build these projects is much higher.

This bill provides an exemption to local energy taxes and certain personal property taxes for community solar projects that provide at least 50% of their energy production to low and moderate income households and that also provide that energy at 20% lower cost than the energy provided by the local utility to those households.

Currently, it is not financially viable to develop rooftop and parking canopy community solar projects. We need to both remove financial disincentives and provide financial incentives if we are to encourage the development of these types of projects that provide discounted clean energy to LMI households, create local jobs, and mitigate carbon emissions.

These exemptions will level the playing field and allow all sectors of society to participate in our clean energy revolution.

For these reasons, we urge a favorable report for SB264.

Sincerely,

Lore Rosenthal, Program Coordinator  
Greenbelt Climate Action Network