



January 17, 2022

Chair Vanessa E. Atterbeary  
Members of the Ways and Means Committee

Re: Solar Democracy and Equity Collaborative support of HB 76 -  
Community Solar Energy Generating Systems -Exemption From Energy and  
Property Taxes

The Solar Democracy and Equity Collaborative (“Collaborative”) strongly supports the passage of HB 76. The Collaborative consists of several organizations, including Climate Access Fund, Earthjustice, the Institute for Energy and Environmental Research, the Montgomery County Green Bank, and Maryland Solar United Neighbors.

HB 76 establishes that personal property is exempt from county or municipal corporation property tax if the property is machinery or equipment that (1) is installed on rooftops, parking lots, roadways, or brownfields sites and (2) is part of a community solar energy generating system that serves more than 51% of the system’s kilowatt-hour output to low- or moderate-income customers. This tax exemption will encourage solar generation in low and moderate income communities that traditionally are burdened by environmental pollutants. Participation as a community solar subscriber also will provide financial assistance to those low and moderate income households.

Maryland’s community solar pilot program is in its fifth year. Currently, most of community solar projects are designed to serve market-rate customers. Projects designed to serve low and moderate income customers, and projects located on land that has already been developed (rooftops, parking lots, landfills, etc.) generally cost more to develop and typically don’t benefit from the economies of scale that large ground mounted projects do.

Local participation and local ownership works best when a project is located in the community, most likely on a rooftop. Given the financial realities of developing low and moderate income rooftop solar projects, these projects will not be possible without the proposed personal property tax exemption included in HB 76.

In enacting the community solar pilot program, the General Assembly expressly stated that it is in the public interest that the State enable the development and deployment of energy generation from community solar energy generating systems in order to allow low-income and moderate-income retail electric customers to own an interest in a community solar energy generating system; and encourage developers to promote participation by low-income and moderate-income retail electric customers.<sup>1</sup> Removal of this financial barrier to low and

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<sup>1</sup> Maryland Public Utility Art. § 7-306.2(b)(2)(i) and (iii).

moderate income solar projects will enhance the community solar pilot program's ability to achieve these objectives.

Finally, the Collaborative thanks Delegate Smith for her leadership on this important issue.

We strongly urge a favorable report for HB 76.

Thank you in advance for your support. Should you have any questions, please contact me at [smiller@earthjustice.org](mailto:smiller@earthjustice.org).

Respectfully submitted,



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***On Behalf of the Solar Democracy and Equity  
Collaborative***