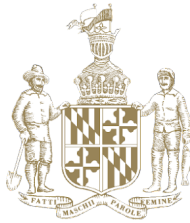


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Appropriations Committee

House Chair
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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

HB0076- Community Solar Energy Generating Systems - Exemption From Energy and Property Taxes

Hearing: January 19th, 2022 1:00PM Ways and Means Committee

Chairman Atterbeary, Vice Chair Washington and Members of the Ways and Means Committee,

Today, I am pleased to sponsor this straightforward legislation to advance community solar projects through the Low-to-Moderate Income (LMI) Community Solar Tax Credit. Maryland's Community Solar program has been an essential part of our state's drive to expand our renewable energy portfolio to meet the goals of our greenhouse gas reduction plan - but it doesn't benefit everyone equally. In addition, the majority of projects are being built on previously undeveloped land, which puts pressure on open space, agricultural land, and in some cases forests. This legislation will exempt projects in LMI communities from county or municipal personal property tax for community solar projects installed on rooftops, parking lots, roadways, or brownfields.

Currently, Maryland's Community Solar Pilot Program possesses the capabilities to decrease the energy burden placed on thousands of Low-to Moderate Income Maryland households while producing solar power on the rooftops and parking canopies of Maryland cities and towns. Unfortunately, to date, it is not financially possible to construct smaller-scale rooftop and parking canopy community solar projects for LMI benefit without subsidies. In order for Maryland to continue to be at the forefront of becoming a clean energy state, we need to provide financial incentives to increase projects that provide discounted clean energy for LMI households, mitigate carbon emissions, and create more job opportunities locally.

This legislation helps promote clean energy equity by:

- Exempting community solar projects that reserve more than 50% of the power they generate for consumption by LMI households, and which are installed on rooftops, parking lots, or brownfields, from county or municipal personal property tax.
- Encouraging solar generation in communities that are overburdened by both energy costs and environmental pollution.
- Reducing greater costs associated with developing projects that serve LMI customers, and those that are located on land that has already been developed (rooftops, parking lots, landfills, and brownfields).

Furthermore, I offer two sponsor amendments:

- Striking the 'Energy Credit' portion of the bill, and
- Adding a five-year sunset with reporting requirements.

Let us continue to push Maryland's clean energy leadership, reduce energy costs for LMI households and protect our planet. Thank you for your careful consideration of this important legislation, and I urge the committee to move the bill with a favorable report.

Delegate Stephanie M. Smith