

CPSR Testimony-HB76-LMI Community Solar local tax

Uploaded by: Alfred Bartlett, MD

Position: FAV



Committee: Ways and Means

Testimony on: HB76 “Community Solar Energy Generating Systems – Exemption
From Energy and Property Taxes”

Position: Support

Hearing Date: February 19, 2022

The Chesapeake Chapter of Physicians for Social Responsibility (CPSR) submits this testimony in support of HB76, which will exempt from local jurisdictions’ energy and personal property taxes a Community Solar project that delivers at least 50 percent of the electricity it generates to low- and moderate-income (LMI) customers at a price that is discounted at least 20 percent from the local utility’s standard service rate.

Since 2015, CPSR has been an active member of the Maryland Public Service Commission’s “Net Metering Working Group,” which developed the regulations governing the legislatively established Community Solar Energy Generating Systems (CSEGS) Pilot Program, and which is responsible for overseeing implementation of the program. CPSR is also a member of the informal “LMI Advocates” sub-group of that larger working group; this sub-group is focused on supporting accomplishment of the legislature’s requirement to include LMI households in the CSEGS Pilot Program.

We therefore recognize that – despite a carve-out of CSEGS program capacity for projects that include at least 30 percent LMI participation (of which at least 10 percent must be low-income) – development of LMI projects has been challenging for several reasons; among them –

- Financing of LMI-serving Community Solar projects is difficult because of the higher credit risk of including those populations; this is especially true for projects intending to serve larger proportions of LMI households.
- In addition, many local jurisdictions prefer solar projects to be located in the already-built environment – including commercial rooftops and parking lots, and “brownfields” where available – rather than on agricultural land.
 - However, projects built in these “preferred sites” are generally much smaller than those that can be built on open land, and therefore have less economy of scale; and building on parking lots, rooftops, and brownfields is substantially more expensive than building on open land.

Taken together, these factors make it extremely difficult to finance and build projects on these “preferred sites” to serve LMI households.

This difficulty is reflected in the pilot program’s limited progress in using project capacity in the LMI project category (30 percent of total program capacity), compared with the program’s “Open” category (40 percent of total program capacity).

- Latest reporting (January, 2022) by BGE shows that all but 0.1 percent of the 49.7 megawatts of “Open” category capacity available in the first four years of the program had been committed for project development. In contrast, 51 percent of the 37.2 megawatts of total four-year LMI capacity remained unused.

Physicians for Social Responsibility is a national organization of doctors and other health professionals dedicated to averting two overarching threats to human health and well-being: nuclear weapons and climate change. PSR is a component of International Physicians for the Prevention of Nuclear War, which received the 1985 Nobel Peace Prize.

- In the Pepco area (latest reporting, as of August, 2021), just 4.6 percent of the 24.6 megawatts of the total “Open” capacity available in the first four program years remained unused, versus an unused 61.7 percent of the 18.5 megawatts of four-year total LMI project capacity.

We recognize that the tax exemptions being proposed represent an unusual mandate to local jurisdictions. The reality, however, is that the organizations working to build Community Solar serving LMI households do not have the administrative and political capacity to seek these exemptions jurisdiction by jurisdiction.

The amount of revenue that will be foregone by these exemptions for the limited number of small projects would be a tiny share of a jurisdiction’s tax revenue. However, these exemptions can make a big difference in the ability to successfully build more LMI Community Solar projects, which was a specifically stated intention of the legislature when they passed the Community Solar bill in 2015 and extended the program in 2019. Moreover, these projects will include LMI families living within the jurisdiction itself.

In summary, the actions proposed by HB76 are consistent with the legislature’s intent in establishing the Community Solar Pilot Program. They will support expansion of projects serving households that historically have not been included in solar development. They will also benefit local jurisdictions themselves in providing clean, low cost, locally-produced solar energy to economically stressed households, and promote building Community Solar in the places where jurisdictions want to see it.

We therefore strongly urge the Committee to approve and advance HB76.

Respectfully,

Alfred Bartlett, M.D., F.A.A.P.
Board Member and Energy Policy Lead
Chesapeake Physicians for Social Responsibility
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HB0076_Community_Solar_MLC_FAV.pdf

Uploaded by: Cecilia Plante

Position: FAV



TESTIMONY FOR HB0076

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

Bill Sponsor: Delegate Smith

Committee: Ways and Means

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of HB0076 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

Community solar is a fantastic way of expanding our solar capacity and allowing residents to take advantage of solar without putting solar panels on their roof. It is particularly critical to get low-to-moderate income households onto solar power, since it is more economical than gas.

However, it is also more expensive to create community solar projects that are on rooftops, parking lots, or other non-permeable surfaces. This requires a lot of negotiation for land in order to build a solar project, when rooftops and parking lots would make more sense and allow for faster expansion of community solar.

This bill would help expand community solar, particularly for low-to-moderate income families by -

- Exempting solar projects from county or municipal personal property tax for community solar projects installed on rooftops, parking lots, roadways, or brownfields which benefit low-to-moderate income households.
- Encouraging solar generation in communities that are burdened by environmental pollutants and helping to provide assistance to low-to-moderate households

This bill will overcome the greater costs associated with developing projects, serve low-income customers, and those that are located on land that has already been developed (rooftops, parking lots, landfills, etc.),

We support this bill and recommend a **FAVORABLE** report in committee.

HB76-Community Solar Tax Exemption-Ways&Means-CJW-

Uploaded by: Diana Younts

Position: FAV



Committee: Ways & Means

Testimony on: HB0076 - Community Solar Energy Generation

Systems-Exemption From Energy & Property Taxes

Organization: Climate Justice Wing of the Maryland Legislative Coalition

Submitting: Diana Younts, Co-Chair

Position: Favorable

Hearing Date: January 19, 2022

Dear M. Chair and Committee Members:

Thank you for allowing our testimony today in support of HB0076. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of over 50 grassroots and professional organizations, urges you to vote favorably on HB0076.

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.

Community solar projects are a critical component to meeting Maryland's climate goals and targets because they provide renewable energy to families and building owners that cannot otherwise install or afford solar energy and because such projects increase the amount of clean, renewable energy on the grid. Anyone who receives an electric bill can benefit from community solar including renters, residents in multi-unit buildings, municipalities, nonprofits and businesses that don't own their roofs.

Incentivizing community solar for low and moderate income families and communities is essential to energy justice for these families who already pay disproportionately higher utility bills than other households. Because energy is a regressive cost, low-income households in Maryland dedicate 13% of their annual incomes to energy costs and pay 550% more as a percent of income than non low-income households. The majority of these (55%) are Black, Hispanic, or Asian households. Providing low cost solar energy to these families helps to redress this problem. Equitable and just deployment of renewable energy is critical to expanding our clean energy economy and addressing environmental injustice.

Energy is also a substantial cost for building owners and managers, so the availability of low cost community solar is an important means of preserving affordable housing.

In short, incentivizing community solar for low and moderate income families is good for the environment and good for families who need help with their energy costs as well.

For these reasons, we urge a favorable report for HB0076.

MLC Climate Justice Wing:

Assateague Coastal Trust
Maryland Legislative Coalition
MD Campaign for Environmental Human Rights
Chesapeake Climate Action Network
WISE
Frack Free Frostburg
Mountain Maryland Movement
Clean Water Action
Howard County Indivisible
Howard County Sierra Club
Columbia Association Climate Change and Sustainability Advisory Committee
HoCo Climate Action
CHEER
Climate XChange - Maryland
Mid-Atlantic Field Representative/
National Parks Conservation Association
350 Montgomery County
Glen Echo Heights Mobilization
The Climate Mobilization Montgomery County
Montgomery County Faith Alliance for Climate Solutions
Montgomery Countryside Alliance
Takoma Park Mobilization Environment Committee
Audubon Naturalist Society
Cedar Lane Unitarian Universalist Church
Environmental Justice Ministry
Coalition For Smarter Growth

DoTheMostGood Montgomery County
MCPS Clean Energy Campaign
MoCo DCC
Potomac Conservancy
Casa de Maryland
Nuclear Information & Resource Service
Clean Air Prince Georges
Laurel Resist
Greenbelt Climate Action Network
Maryland League of Conservation Voters
Unitarian Universalist Legislative Ministry of Maryland
Concerned Citizens Against Industrial CAFOs
Wicomico NAACP
Chesapeake Physicians for Social Responsibility
Chispa MD
Climate Law & Policy Project
Maryland Poor People's Campaign
Labor Network for Sustainability
The Nature Conservancy
Clean Air Prince Georges
350 Baltimore
Maryland Environmental Health Network
Climate Stewards of Greater Annapolis
Talbot Rising
Adat Shalom Climate Action
Mid-Atlantic Earth Holders
Climate Parents of Prince Georges
Echotopia

Maryland NAACP State Conference,
Environmental Justice Committee

HB76-TPMEC-Community Solar Tax Exemption-Ways&Mean

Uploaded by: Diana Younts

Position: FAV



Committee: Ways & Means

Testimony on: HB0076 - Community Solar Energy Generation

Systems-Exemption From Energy & Property Taxes

Organization: Takoma Park Mobilization Environment Committee

Submitting: Diana Younts, Co-Chair

Position: Favorable

Hearing Date: January 19, 2022

Dear M. Chair and Committee Members:

Thank you for allowing our testimony today in support of HB0076. Takoma Park Mobilization Environment Committee advocates for climate legislation at the state and local levels. We urge you to vote favorably on HB0076.

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.

Community solar projects are a critical component to meeting Maryland's climate goals and targets because they provide renewable energy to families and building owners that cannot otherwise install or afford solar energy and because such projects increase the amount of clean, renewable energy on the grid. Anyone who receives an electric bill can benefit from community solar including renters, residents in multi-unit buildings, municipalities, nonprofits and businesses that don't own their roofs.

Montgomery County has an ambitious Climate Action Plan with the goal of decreasing its greenhouse gas emissions by 80% by 2027 and 100% by 2035. Community Solar for low income families and households is a critical component of the County's plan to transition equitably to a clean energy economy and has already completed 18 projects and has 4 more under construction.

Incentivizing community solar for low and moderate income families and communities is essential to energy justice for these families who already pay disproportionately higher utility bills than other households. Because energy is a regressive cost, low-income households in Maryland dedicate 13% of their annual incomes to energy costs and pay 550% more as a percent of income than non low-income households. The majority of these (55%) are Black, Hispanic, or Asian households. Providing low cost solar energy to these families helps to

redress this problem. Equitable and just deployment of renewable energy is critical to expanding our clean energy economy and addressing environmental injustice.

Energy is also a substantial cost for building owners and managers, so the availability of low cost community solar is an important means of preserving affordable housing.

In short, incentivizing community solar for low and moderate income families is good for the environment and good for families who need help with their energy costs as well.

For these reasons, we urge a favorable report for HB0076.

HB 76 Community Solar Energy Incentives.pdf

Uploaded by: Dru Schmidt-Perkins

Position: FAV



January 19, 2022

HB 76 Community Solar Energy Generating Systems - Exemption from Energy and Property Taxes, House Ways and Means

Clean Air Task Force
114 State Street, 6th Floor
Boston, MA 02109

P: 617.624.0234
F: 617.624.0230

catf.us

Position: Support

Clean Air Task Force (CATF) supports HB 76 and its efforts to create critical incentives to meet the energy needs in all communities, especially those that serve low- and moderate-income Marylanders and those that have been harmed from environmental pollutions.

This bill will make it more affordable to get important solar projects on the vast built environment including parking lots, roof tops, landfills, and brownfields. These areas are at the ready to provide energy benefits to their communities. However, incentives are needed so these energy benefits can be provided.

We urge a favorable report on HB 76.

CATF is a global nonprofit organization working to safeguard against the worst impacts of climate change. CATF's mission, vision, and goal are to:

- Push the technology and policy changes needed to achieve a zero-emissions, high-energy planet at an affordable cost,
- Meet the world's rising energy demand in a way that is financially, socially, and environmentally sustainable, and
- Achieve zero-emissions energy, waste, agricultural, and forest management systems by 2050.

Contact: Angela Seligman aseligman@catf.us 314-922-5293

HB76_FAV_Preservation Maryland.pdf

Uploaded by: Eleanor Cowan

Position: FAV



PRESERVATION MARYLAND

January 19, 2022

Dear Madame Chair and Members of the House Ways and Means Committee:

On behalf of the staff and Board of Directors of Preservation Maryland and our thousands of statewide supporters, I would like to offer our support of HB76.

Through our Smart Growth Maryland program, Preservation Maryland advocates for a more environmentally and economically sustainable future that creates opportunities for all Marylanders through better development patterns.

SUPPORT FOR HOUSE BILL 76

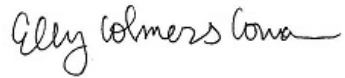
Preservation Maryland emphatically supports HB76, which would help to overcome the greater costs associated with developing community solar projects to serve low-income customers. This would be achieved by exempting such projects that benefit low-to-moderate income (LMI) households from county or municipal personal property tax. While it is not currently financially viable to develop rooftop and parking canopy community solar projects that provide discounted solar energy in LMI areas, we believe HB27 would help to encourage solar generation in those communities that are burdened by environmental pollutants and provide assistance to LMI households.

In addition to addressing equity, the exemption encourages siting for those community solar projects on land that has already been developed by including projects that are installed on rooftops, parking lots, roadways, or brownfields. This is important not only for our state's urban and suburban communities with little to no undeveloped land left, but it also helps to emphasize the point that green projects should not destroy green resources (i.e. forests, farmland, etc.).

A defining tenet of both smart growth and historic preservation is investing in the already built environment, in our existing communities. To make certain we are working towards a more sustainable future for *all* Marylanders, much of our work at Preservation Maryland is focused on ensuring that community investment projects can move forward in LMI areas, something that is often achieved through incentives such as those that would be created through HB76. We believe that invaluable work could be accomplished through this legislation in the communities in Maryland that need it the most.

That is why we respectfully urge this committee to return a favorable report on House Bill 76. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Elly Colmers Cowan".

Elly Colmers Cowan
Director of Government Relations

HB 76_eranson_fav.pdf

Uploaded by: Emily Ranson

Position: FAV

HB76: Community Solar Energy Generating Systems - Exemption From Energy and Property Taxes

House Ways and Means Committee

January 19, 2022

Position: Favorable

Dear Chair Atterbeary and Members of the Committee,

As Maryland strives towards clean energy goals, smart solar siting is a critical facet that needs to be addressed. Clean Water Action supports initiatives that remove barriers and incentivize solar siting on impervious surfaces, to increase the state's capacity to develop solar power capacity while minimizing negative externalities on local ecosystems and Maryland's agricultural economy.

Clean Water Action encourages that solar siting be prioritized on impervious and unproductive lands, like rooftops, parking lots, and brownfields. We appreciate how HB76 seeks to make these areas more accessible to solar installation by reducing the cost. Solar on impervious surfaces, like rooftops and parking lots, is a win-win: it produces energy on an area of land while other activities take place in the building below, instead of displacing other uses of that land as happens when solar is built on farmland, forests, or wetlands.

Currently, it is more expensive to develop smaller rooftop and parking lot canopy community solar projects, but by reducing the taxes collected on these projects benefiting low-to-moderate income customers the state can encourage these projects.

We appreciate Delegate Smith introducing this legislation to encourage more distributed, equitable solar generation in the state, especially solar generation on rooftops and parking lots and urge a favorable report.

Thank you,

Emily Ranson
Clean Water Action
eranson@cleanwater.org

TESTIMONY FOR HB 76.pdf

Uploaded by: Jared Schablein

Position: FAV

TESTIMONY FOR HB 76

Bill Sponsor: Delegate Stephanie Smith

Committee: Ways and Means

Organization Submitting: Lower Shore Progressive Caucus

Person Submitting: Sam Harvey

Position: FAVORABLE

I am submitting this testimony in favor of HB 76 on behalf of the Lower Shore Progressive Caucus. The Caucus is a political and activist organization on the Eastern Shore, unaffiliated with any political party, committed to empowering working people by building a Progressive Movement.

Caucus members support environmental justice, recognizing that certain low- and moderate-income communities have been literally dumped on, by industry and society generally. This seems especially unjust, in that these community members have the least ability to simply pick up and move, unlike the commercial and industrial concern, which sometimes irresponsibly exit the scene without so much as a fare-thee-well.

These concerns sometimes leave behind brownfields – contaminated, polluted ground, doomed to the decay that follows vacancy. (Land contaminated or scarred by mining, and closed landfills, are also considered brownfields). These areas visibly represent environmental degradation, and must surely have hard-to-measure effects on the neighbors' spirits. HB 76 contributes to the complex undertaking that is the healing of these hurts, by encouraging development of community solar energy generation on these otherwise blighted grounds (and on rooftops or parking facility canopies.)

These properties would be exempted from county or municipal corporation property tax if they're built-out with solar that provides at least 50 percent of produced energy specifically to low- or moderate-income customers. This means at costs at least 20 percent less than what's charged by the electric company that serves the area where the community solar is built.

For the measure of environmental justice it provides, the Lower Shore Progressive Caucus supports this bill and recommends a **FAVORABLE** report in committee.

2021_10_04 Community Solar Taxes .pdf

Uploaded by: Kim Coble

Position: FAV



Proposed Statewide Tax Exemption for Rooftop/Parking Canopy Community Solar Projects Providing Discounted Solar Energy to LMI Households

Maryland's Community Solar Pilot Program has the potential to reduce the energy burden of thousands of low- to moderate- income ("LMI") Maryland households while generating tens of megawatts of solar power on the rooftops and parking canopies of our cities and towns. Yet to date, the majority of community solar projects are not reaching LMI households and are being built on undeveloped land.

It is not currently financially viable to develop rooftop and parking canopy community solar projects that provide discounted solar energy to LMI households. If Maryland wants to encourage more distributed, equitable generation of solar in the state, the State must remove financial disincentives, and provide financial incentives, to encourage the development of these types of projects. As a starting point, the State should [exempt rooftop and parking canopy community solar projects that allocate at least 50% of generated energy to LMI households \(at a minimum 20% discount to the qualifying utility rate\) from personal property and energy production taxes.](#)

Personal Property and Energy Production Taxes

Community solar projects are exempt from real property taxes statewide, but many local jurisdictions assess either or both a personal property tax and an energy production tax. (Please see the attached Appendices A & B for further information.) The combination of these two taxes has a substantial negative impact on the development of rooftop/parking canopy LMI community solar projects, which, if developed, would have the potential to bring significant social, economic, and environmental benefits to the communities in which they would be located.

Community v. Tax Benefit: An Example

A 100% LMI, 874 kW rooftop community solar project in Baltimore City would achieve the following:

- Reduce 180 LMI families' electricity bills by 25%, for an annual savings of ~\$35,000;
- Create 5 to 10 jobs or apprenticeships; and
- Reduce carbon emissions by 27,079 metric tons over 35 years, the equivalent of taking 5,889 passenger cars off the road for a year.

Under current tax policy in Baltimore, this project would be taxed an estimated \$8,800 in personal property taxes in Year 1 and an estimated \$10,600 energy taxes in Year 1 (using the commercial rate). This totals an estimated \$19,400 in Year 1 personal property and energy production taxes.

In this example, therefore, this LMI community solar project would provide well over \$35,000 in annual social and economic benefits to Baltimore City, while the combined tax value of these projects would be \$19,400.

Fiscal Impact

Please note that because there are no rooftop/parking canopy LMI community solar projects that currently exist, the impact of the proposed exemptions would be on a potential, rather than an existing, tax revenue base. Even with the proposed exemptions, only a handful of these projects are likely to be developed during the remaining years of the Community Solar Pilot Program due to other financing challenges. The fiscal impact on local jurisdictions of the foregone tax revenue would therefore be minimal, yet the social and economic benefits would be substantial in the form of discounted clean energy to LMI households, local job creation, and mitigation of carbon emissions.

APPENDIX A. SAMPLE OF JURISDICTIONS WITH ENERGY PRODUCTION TAXES

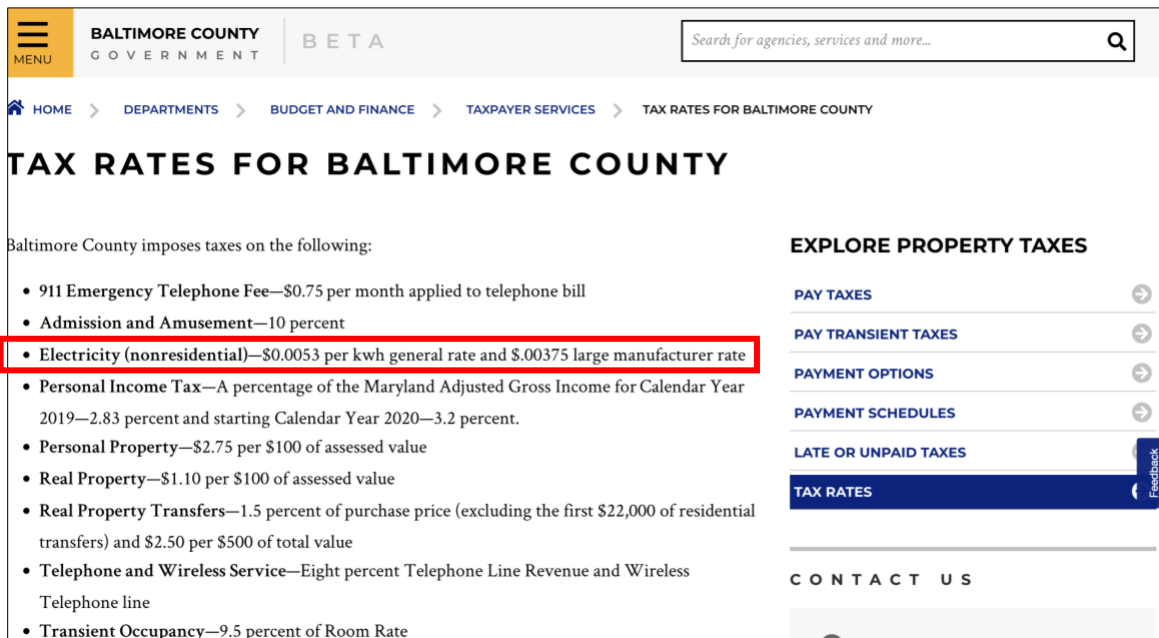
A. Baltimore City¹

Fiscal 2022 - Energy Tax Rates (\$) by User Group and Energy Type

The Baltimore City Code mandates that the City's Energy Tax be imposed as a unit tax based on the number of units of energy delivered to users. The units are as follows: therms for natural gas, kilowatt-hours for electricity, pounds for steam, and gallons for fuel oil and liquefied petroleum gas.

User Group	Electricity (kWh)	Gas (therm)	Fuel Oil (gal)	LPG (gal)	Steam (lbs)
Commercial	0.008946	0.115686	0.132216	0.161360	0.002814
Residential	0.002865	0.034001	0.047719	0.051110	0.000808
Nonprofit	0.006273	0.091899	0.114113	0.140314	0.001664

B. Baltimore County²



BALTIMORE COUNTY GOVERNMENT BETA

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TAX RATES FOR BALTIMORE COUNTY

Baltimore County imposes taxes on the following:

- 911 Emergency Telephone Fee—\$0.75 per month applied to telephone bill
- Admission and Amusement—10 percent
- Electricity (nonresidential)—\$0.0053 per kwh general rate and \$.00375 large manufacturer rate**
- Personal Income Tax—A percentage of the Maryland Adjusted Gross Income for Calendar Year 2019—2.83 percent and starting Calendar Year 2020—3.2 percent.
- Personal Property—\$2.75 per \$100 of assessed value
- Real Property—\$1.10 per \$100 of assessed value
- Real Property Transfers—1.5 percent of purchase price (excluding the first \$22,000 of residential transfers) and \$2.50 per \$500 of total value
- Telephone and Wireless Service—Eight percent Telephone Line Revenue and Wireless Telephone line
- Transient Occupancy—9.5 percent of Room Rate

EXPLORE PROPERTY TAXES

- PAY TAXES
- PAY TRANSIENT TAXES
- PAYMENT OPTIONS
- PAYMENT SCHEDULES
- LATE OR UNPAID TAXES
- TAX RATES**

CONTACT US

¹ <https://bbmr.baltimorecity.gov/city-tax-rates>

² <https://www.baltimorecountymd.gov/departments/budfin/taxpayerservices/taxrates.html>

APPENDIX B. PERSONAL PROPERTY AND UTILITY TAXES BY LOCAL JURISDICTION

2021-2022 COUNTY & MUNICIPALITY TAX RATES

County and Town	Town/Special Taxing District Tax Rate			County Tax Rate		
	Real	Personal	Utility	Real	Personal	Utility
Allegany County				0.975	2.4375	2.4375
Barton	0.205	0.58	0.58	0.9094	2.2734	2.2734
Cumberland	1.0595	2.648	2.648	0.8315	2.0788	2.0788
Frostburg	0.70	1.50	1.50	0.8627	2.1567	2.1567
Lonaconing	0.3408	0.8179	0.8179	0.8773	2.1932	2.1932
Luke	1.25	0.95	0.95	0.8753	2.1882	2.1882
Midland	0.28	0.70	0.70	0.9094	2.2734	2.2734
Westernport	0.60	1.50	1.50	0.9094	2.2734	2.2734
Anne Arundel County				0.933	2.332	2.332
Annapolis	0.738	1.940	1.940	0.559	1.397	1.397
Highland Beach	0.1505	0.3762	0.3762	0.903	2.257	2.257
Baltimore City				2.248	5.62	5.62
Baltimore County				1.1	2.75	
Calvert County				0.927	2.23	2.23
Chesapeake Beach	0.3233	N/A	1.39	0.591		
North Beach	0.6034	N/A	1.39	0.591		
Caroline County				0.98	2.45	2.45
Denton	0.76	1.5	1.7	0.92		
Federsburg	0.88	1.65	1.65	0.90		
Greensboro	0.72	1.513	1.4	0.92		
Hillsboro	0.16	0.4	0.4	0.98		
Marydel	0.3	0.83	0.83	0.98		
Preston	0.36	0.7	0.7	0.97		
Ridgely	0.5329	1.275	1.275	0.93		
Goldsboro	0.46	1	1	0.98		
Henderson	0.48	0.84	0.84	0.98		
Templeville	0.36	0.72	0.72	0.98		

Revised 7/19/21

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County and Town	Town/Special Taxing District Tax Rate			County Tax Rate		
	Real	Personal	Utility	Real	Personal	Utility
Carroll County				1.018	2.515	2.515
Taneytown	0.37	0.8	0.8			
Sykesville	0.33	0.875	0.875			
Manchester	0.216	0.46	0.46			
Westminster	0.56	1.1	1.4			
Hampstead	0.22	0.55	0.55			
New Windsor	0.2615	0.4	0.4			
Union Bridge	0.35	0.75	0.75			
Mount Airy	0.1662	0.41	0.41			
Cecil County				1.0279	2.5697	2.5697
Cecilton	0.2284	0.008	0.008	1.0279	2.5697	2.5697
Chesapeake City	0.4688	1.18	1.18	1.0279	2.5697	2.5697
Elkton	0.6356	1.21	1.21	1.0279	2.5697	2.5697
North East	0.48	0	1.2	1.0279	2.5697	2.5697
Charlestown	0.3334	0.8	0.8	1.0279	2.5697	2.5697
Rising Sun	0.46	0.9	0.9	1.0279	2.5697	2.5697
Port Deposit	0.5452	0	2.2	1.0279	2.5697	2.5697
Perryville	0.3597	0.94	0.94	1.0279	2.5697	2.5697
Charles County				1.1410	2.8525	2.8525
Indian Head	0.30	0.80	0.80	1.1020	2.8525	2.8525
La Plata	0.32	0.75	2.50	0.9990	2.8525	2.8525
Port Tobacco	0.04	0.04	0.04	1.1410	2.8525	2.8525
Dorchester County				1.00	2.44	2.44
Secretary	0.2989	0.80	0.80	1.00	2.44	2.44
East New Market	0.7109	1.60	1.60	1.00	2.44	2.44
Cambridge	0.8301	1.69	1.69	0.9267	2.44	2.44
Hurlock	0.8237	1.40	1.40	0.9179	2.44	2.44
Vienna	0.4787	1.08	1.08	1.00	2.44	2.44
Church Creek	0.17	0.35	0.35	1.00	2.44	2.44
Galestown	0.3091	0.65	0.65	1.00	2.44	2.44
Brookview	0.30	0.58	0.58	1.00	2.44	2.44

Revised 7/19/21

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County and Town	Town/Special Taxing District Tax Rate			County Tax Rate		
	Real	Personal	Utility	Real	Personal	Utility
Eldorado	0.19	0.40	0.40	1.00	2.44	2.44
Frederick County				1.06	0	2.65
Brunswick	0.41	0	2.65	1.06	0	2.65
Burkittsville	0.19	0	0	1.06	0	2.65
Emmitsburg	0.3464	0.90	0	1.06	0	2.65
Frederick	0.7305	1.55	1.55	0.9505	0	2.65
Middletown	0.232	0.58	0	1.06	0	2.65
Mt. Airy	0.1662	0.41	0.41	1.06	0	2.65
Myersville	0.346	0	1.173	0.9407	0	2.65
New Market	0.12	0.45	0.45	1.06	0	2.65
Rosemont	0.04	0	0	1.06	0	2.65
Thurmont	0.2992	0.62	0.62	1.06	0	2.65
Walkersville	0.14	0.44	0.44	1.06	0	2.65
Woodsboro	0.1389	0	0	1.06	0	2.65
Garrett County				1.056		2.64
Accident	0.3045	0.61	0.61			
Deer Park	0.30	0.75	0.75			
Friendsville	0.41	0.56	1.64			
Grantsville	0.1941	0	0.50			
Kitzmillier	0.36	0	1.20			
Loch Lynn Heights	0.32	0.53	1.00			
Mt. Lake Park	0.4137	0	1.20	0.9916		2.4790
Oakland	0.472	1.20	1.20			
Harford County				1.0279	2.5698	2.5698
Aberdeen	0.64	1.7	1.7	0.8913	2.2283	2.2283
Bel Air	0.54	1.2	1.2	0.8913	2.2283	2.2283
Havere de Grace	0.565	1.705	1.705	0.8913	2.2283	2.2283
Howard County				1.014	2.535	2.535
Kent County				1.012		
Betterton	0.32	0.8				
Chestertown	0.4332					

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County and Town	Town/Special Taxing District Tax Rate			County Tax Rate		
	Real	Personal	Utility	Real	Personal	Utility
Galena	0.2355					
Millington	0.2909					
Rock Hall	0.38					
Montgomery County				0.7178	1.7945	1.7945
Friendship Heights	0.0400	0.0400	0.4000	0.7178	1.7945	1.7945
Drummond	0.0480	0.1200	0.1200	0.7178	1.7945	1.7945
Oakmont	0.0400	0.1000	0.1000	0.7178	1.7945	1.7945
Chevy Chase Village	0.0773	0.6600	0.6600	0.7178	1.7945	1.7945
Sec. 3 Village of Chevy Chase	0.0200	0.0500	0.0500	0.7178	1.7945	1.7945
Town of Chevy Chase	0.0098	0.0000	0.0000	0.7178	1.7945	1.7945
Sec. 5 Village of Chevy Chase	0.0000	0.0000	0.0000	0.7178	1.7945	1.7945
Village of Martins Addition	0.0050	0.5000	0.5000	0.7178	1.7945	1.7945
North Chevy Chase	0.0450	0.1300	0.1300	0.7178	1.7945	1.7945
Chevy Chase View	0.0200	0.0000	0.0000	0.7178	1.7945	1.7945
Battery Park	0.0400	0.1000	0.1000	0.7178	1.7945	1.7945
City of Rockville - Class 1	0.6220			0.7178	1.7945	1.7945
City of Rockville - Class 4	0.2920			0.7178	1.7945	1.7945
City of Rockville - Class 5	0.2920			0.7178	1.7945	1.7945
City of Rockville - Class 50	0.2920	0.8050	0.8050	0.7178	1.7945	1.7945
City of Gaithersburg	0.2620	0.5300	0.5300	0.7178	1.7945	1.7945
Town of Barnesville	0.0154	0.2000	0.2000	0.7178	1.7945	1.7945
Town of Laytonsville	0.0900	0.3000	0.3000	0.7178	1.7945	1.7945
Town of Poolesville	0.1781	0.6000	0.6000	0.7178	1.7945	1.7945
Town of Garrett Park	0.2045	1.0000	1.0000	0.7178	1.7945	1.7945
Town of Glen Echo	0.1500	0.8000	0.8000	0.7178	1.7945	1.7945
Town of Sommerset	0.1000	1.0000	1.0000	0.7178	1.7945	1.7945
Town of Brookeville	0.1500	0.4500	0.4500	0.7178	1.7945	1.7945
Town of Washington Grove	0.2479	0.7000	0.7000	0.7178	1.7945	1.7945
Town of Kensington	0.1312	0.8000	0.8000	0.7178	1.7945	1.7945
City of Takoma Park	0.5397	1.5500	1.5500	0.7178	1.7945	1.7945
Bethesda	0.0120	0.0300	0.0300	0.7178	1.7945	1.7945

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County and Town	Town/Special Taxing District Tax Rate			County Tax Rate		
	Real	Personal	Utility	Real	Personal	Utility
Silver Spring	0.0240	0.0600	0.0600	0.7178	1.7945	1.7945
Wheaton	0.0300	0.0750	0.0750	0.7178	1.7945	1.7945
Kingsview Village Center	0.0000	0.0000	0.0000	0.7178	1.7945	1.7945
West Germantown	0.1560	0.0000	0.0000	0.7178	1.7945	1.7945
White Flint	0.1103	0.0000	0.0000	0.7178	1.7945	1.7945
Prince George's County				1.00	2.5	
New Carrollton	0.6391	1.6		0.862	2.123	
Eagle Harbor	0.4727			0.998	2.495	
Greenbelt	0.8275	1.7225		0.847	2.083	
Berwyn Heights	0.545			0.858	2.112	
Bladensburg	0.74	2.09		0.856	2.109	
Bowie	0.4	1		0.848	2.087	
Brentwood	0.3792	1.75	2	0.914	2.265	
Capitol Heights	0.42	2.5	2.5	0.861	2.12	
Cheverly	0.4899	1.1		0.861	2.121	
Cheverly - Apartments	0.66			0.861	2.121	
College Park	0.3131	0.838		0.965	2.404	
Colmar Manor - Non Commercial	0.9235	1.65		0.873	2.154	
Colmar Manor - Commercial	0.8636	1.65		0.873	2.154	
Cottage City - Non Commercial	0.5409			0.906	2.242	
Cottage City - Commercial	0.7431			0.906	2.242	
District Heights	0.7333	1.5	2	0.859	2.115	
Edmonston	0.5264	1.5		0.897	2.219	
Fairmount Heights	0.43			0.919	2.279	
Glenarden	0.3481	0.88		0.888	2.195	
Hyattsville	0.63	1.15		0.843	2.071	
Landover Hills	0.52	1.25		0.913	2.265	
Laurel	0.71			0.815	1.995	
Mount Rainier	0.79	0.99	2.75	0.855	2.104	
Mount Rainier - Apartments	0.86	0.99	2.75	0.855	2.104	
North Brentwood - Non Commercial	0.44	0.015	0.02	0.996	2.49	

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County and Town	Town/Special Taxing District Tax Rate			County Tax Rate		
	Real	Personal	Utility	Real	Personal	Utility
North Brentwood - Commercial	0.5857	0.015	0.02	0.996	2.49	
Riverdale Park	0.654	2	2	0.87	2.148	
Seat Pleasant	0.58	15		0.874	2.157	
University Park	0.5386	2.25		0.86	2.117	
Upper Marlboro - Non Commercial	0.3	0.5		0.944	2.349	
Upper Marlboro - Commercial	0.54	1.5		0.944	2.349	
Morningside	0.78	2		0.916	2.272	
Forest Heights - Non Commercial	0.5076	1.75		0.89	2.198	
Forest Heights - Commercial	0.5878	1.75		0.89	2.198	
Queen Anne's County				0.8471		2.118
Sudlersville	0.167	0.47	0			
Church Hill	0.34	0.85	0.85			
Centreville	0.535	0	13.00	0.7171		
Queenstown	0.2026	0.51	0			
Queen Anne	0.18	0.45	0			
Templeville	0.36	0.72	0.72			
Barclay	0.20	0.20	0.20			
Millington	0.2909	0.70	0	0.7621		
St. Mary's County				0.8478	2.1195	2.1195
Leonardtown	0.1266		0.3165	0.8478	2.1195	2.1195
Somerset County				1.00	2.50	2.50
Crisfield	0.87	1.75	1.75	1.00	2.50	2.50
Princess Anne	1.03	2.25	2.25	1.00	2.50	2.50
Talbot County				0.6565	N/A	1.6413
Easton	0.52	1.3	1.3	0.5235	N/A	1.3088
St. Michaels	0.49	N/A	1.6	0.5295	N/A	1.3238
Trappe	0.33	0.54	0.54	0.5585	N/A	1.3963
Oxford	0.3187	N/A	N/A	0.5385	N/A	1.3463
Queen Anne	0.18	0.45	0.45	0.5964	N/A	1.4910
Washington County				0.948	2.37	2.37
Sharpsburg	0.350	0.8750	0.8750	0.823		

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County and Town	Town/Special Taxing			County		
	District Tax Rate			Tax Rate		
	Real	Personal	Utility	Real	Personal	Utility
Williamsport	0.485	0.0121	0.0121	0.823		
Hagerstown	1.002	2.505	0.280	0.823		
Hagerstown - Apartments	1.032			0.823		
Clear Spring	0.320	0.7000	0.7000	0.823		
Hancock	0.520	0.9500	0.9500	0.823		
Boonsboro	0.3591	0.8700	0.8700	0.823		
Smithsburg	0.350	0.8750	0.8750	0.823		
Funkstown	0.370	0.8750	0.8750	0.823		
Keedysville	0.180	0.4500	0.4500	0.823		
Wicomico County				0.9195	2.1715	2.1715
Salisbury	0.9832	2.4000	3.5100			
Mardela Springs	0.2300	0.5000	0.5000			
Pittsville	0.2800	0.9000	0.9000			
Sharptown	0.6000	1.5500	1.5500			
Delmar	0.6622	2.5000	3.0000			
Willards	0.5100	1.1500	1.1500			
Hebron	0.4450	1.0000	1.0000			
Fruitland	0.9200	1.9200	1.9200			
Worcester				0.8450	2.1125	2.1125
Pocomoke City N	1.1311	2.0000	2.4000			
Pocomoke City H	0.9375					
Snow Hill	0.8600	1.8200				
Berlin	0.8150	1.7000				
Ocean City	0.4561	1.1400				
MARYLAND STATE TAX RATE	Real Property		0.112	Utility Tax Rate		0.280
There is no Personal Property Tax Rate for State of Maryland						

The Department of Assessments and Taxation does its best to ensure that this document is complete and accurate, but this information is compiled and made available to the public as a courtesy. Please contact the local governments for verification before using any information in this document.

The Climate Access Fund

The Climate Access Fund (“CAF”; www.climateaccessfund.org) is a Baltimore-based 501(c)(3) “green bank”. “Green Banks” are dedicated public/quasi-public or nonprofit finance entities that partner with private capital to fill clean energy capital gaps.

CAF’s mission is to reduce the energy burden and carbon footprint of Maryland’s low- to moderate-income (“LMI”) households by facilitating access to clean, community solar projects. CAF’s four measurable objectives are as follows:

1. SOCIAL. Increase low-income household access to clean energy by maximizing the number of Maryland’s low-income households connected to discounted solar energy;
2. ECONOMIC. Attract private investment capital to LMI communities through community solar development, reduce the energy burden for LMI households, and facilitate wealth building via investment opportunities for LMI households;
3. ENVIRONMENTAL. Reduce greenhouse gas emissions through solar energy generation; and
4. EMPLOYMENT. Provide job training opportunities for the local community.

Broadly, CAF works to enable delivery of discounted clean electricity to LMI households in Maryland by offering innovative financial products, developing community solar projects, and identifying potential LMI household participants.

(1) Innovative Financial Products

CAF currently offers two financial products to facilitate private investment in LMI-focused community solar PV projects. First, CAF offers a solar bill guaranty to backstop solar electricity service bills of LMI customers who default on their bills. Second, CAF sources and offers loans that feature attractive rates, low transaction fees, and long amortization schedules.

(2) Project Development

CAF helps identify potential project sites, secure additional grant and financing capital, develop potential projects, and partner with impacted communities, among other activities, to increase the number of community solar projects serving LMI households.

(3) Customer Identification

Drawing upon CAF’s deep connections to nonprofits and other community-based organizations, CAF assists in identifying and recruiting potential LMI customers.

HB76 - FAVORABLE - Maryland LCV et al.pdf

Uploaded by: Kim Coble

Position: FAV



January 19, 2022

SUPPORT: HB76 Community Solar Energy Generating Systems - Exemption From Energy and Property Taxes

Madam Chair and Members of the Committee:

The below-signed organizations strongly support HB76: Community Solar Energy Generating Systems - Exemption from Personal Property Taxes. This bill is a top priority for Maryland League of Conservation Voters and we thank Delegate Smith for her leadership on this important issue.

Maryland needs to advance community solar projects especially in Low- to Moderate-Income Communities. The proposed bill exempts projects in Low- to Moderate-Income (LMI) communities from county or municipal personal property tax when more than half of the power generated by the projects is reserved for LMI households, and when they are installed on rooftops, parking lots, or brownfields.

The community solar pilot program has the potential to reduce the energy burden of thousands of LMI income Maryland households while generating solar power on the rooftops and parking canopies of our cities and towns. Currently, it is not financially viable to develop smaller rooftop and parking canopy community solar projects for LMI benefit. 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.

This bill:

- Exempts projects from county or municipal personal property tax for community solar projects that reserve more than 50% of their power for the benefit of low-to-moderate income households, and which are installed on rooftops, parking lots, or brownfields.
- Encourages solar generation in communities that are burdened by environmental pollutants and helps provide assistance to low- to moderate-income households.

- Will help to overcome the greater costs associated with developing projects serve low-income customers, and those that are located on land that has already been developed (rooftops, parking lots, landfills, etc.),

We are attaching to this testimony additional information about this important program, its needs and benefits, and urge a favorable report.

Sincerely,

Maryland League of Conservation Voters

Annapolis Green

Chesapeake Bay Foundation

Chesapeake Climate Action Network

Climate Reality Howard County

Climate Reality Montgomery County

Elders Climate Action Maryland

Greenbelt Climate Action Network

Howard County Climate Action

Maryland Climate X-Change

Maryland Conservation Council

Maryland Legislative Coalition/Climate Justice Wing

Safe Skies Maryland

Sierra Club - Maryland

Solar Democracy and Equity Collaborative

Solar United Neighbors

Strong Future Maryland

HB0076 Del. Smith Testimony.pdf

Uploaded by: Lamar Robinson

Position: FAV

STEPHANIE SMITH
Legislative District 45
Baltimore City

Appropriations Committee

House Chair
Baltimore City Delegation



The Maryland House of Delegates
6 Bladen Street, Room 316
Annapolis, Maryland 21401
410-841-3486 · 301-858-3486
800-492-7122 Ext. 3486
Stephanie.Smith@house.state.md.us

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

HB76-Community Solar Tax Exemption-Ways&Means-GCAN

Uploaded by: Lore Rosenthal

Position: FAV



Committee: Ways & Means

Testimony on: HB0076 - 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 19, 2022

Dear Chairwoman Atterbeary, Vice Chairman Washington, and Committee Members:

The Greenbelt Climate Action Network (GCAN) is writing in support of **HB0076 - 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 HB0076.

Sincerely,

Lore Rosenthal, Program Coordinator

Greenbelt Climate Action Network

HB76 Testimony. Climate Access Fund 01_19_2022.pdf

Uploaded by: Lynn Heller

Position: FAV



January 19, 2022

SUPPORT House Bill 76: Community Solar Energy Generating Systems – Exemption from Personal Energy and Property Tax

Chair Atterbeary, Vice Chair Washington, and Members of the Committee:

The Climate Access Fund strongly supports HB 76, and we thank Delegate Smith for her leadership on this issue.

My name is Lynn Heller. I'm the founder and CEO of the Climate Access Fund, which is a statewide nonprofit Green Bank that is focused on reducing the electricity bills of low-income households through access to community solar. The Climate Access Fund does two things: (1) we raise low-cost financing to incentivize community solar developers and their investors to serve more low-income households than they otherwise would; and (2) we develop community solar projects on developed land that serve low- to moderate- income ("LMI") households.

The Climate Access Fund supports HB76 because we believe climate change is an urgent threat to Marylanders and the state needs to take action to reduce its impacts, especially on underserved communities. The proposed personal property tax exemption will encourage solar generation in communities that are burdened by environmental pollutants and help provide financial assistance to those LMI households. It is truly a triple-win scenario (economic, social, and environmental) for the state.

As many of you know, Maryland's community solar pilot program is in its fifth year, though due to a variety of delays, many projects are just now coming online. Most of these projects serve market-rate customers and are located on 10-12 acres of open land, because project economics work best in these scenarios. Projects serving majority low-income customers, and projects located on land that has already been developed (rooftops, parking lots, landfills, etc.) tend to cost more and typically don't benefit from the economies of scale that large ground mounted projects, serving market-rate customers, do.

The Climate Access Fund is trying to change that. We raise below-market debt, guaranty capital, and other types of financing from public and philanthropic sources (including the Maryland Energy Administration). We offer this attractive financing to solar developers who are committed to expanding community solar access to low- to moderate- income ("LMI") communities across the state and who meet our bill savings requirements.

The Climate Access Fund also develops rooftop projects located in or near underserved communities. We are currently working on a project located on the rooftop of a school in East Baltimore. This project – which CAF hopes will serve as a model for similar projects across the state – is unique in several ways: (1) low-income families in the community who sign up for the



project will receive a 25% discount on their electricity bills; (2) unlike most community solar projects which are owned by a for-profit company, this project will have shared ownership, with the intent to provide members of the community the opportunity to invest in the solar system itself and build wealth over time; and (3) the project will create job training and education opportunities.

This kind of local participation, ownership, job training and education works best when a project is located in the community. Yet even with the Climate Access Fund's flexible capital, this rooftop project may not be possible without the proposed personal property tax exemption included in HB 76. The project's margins are simply too thin to withstand all current costs. While a personal property tax exemption alone will not solve all challenges associated with developing these projects, it is a concrete – and significant – step in the right direction.

The financial benefits that this project and others like it across the state can bring LMI families are significant. We estimate that **175 LMI households** will save \$200 per year (\$35,000 annually for all households) over 35 years, for a total of **\$1.2 million** in savings over the lifespan of the solar project. One can reasonably assume that the majority of these savings would be reinvested in the local economy.

By contrast, we estimate that the personal property tax for the East Baltimore project would bring in one-third as much revenue to Baltimore City on an annual basis (\$11,000). And because Baltimore City's personal property tax rate is the highest in the state, the net economic benefit of these projects to other jurisdictions would be even greater than it would be in Baltimore.

It is important to note that in terms of fiscal impact, because these projects do not yet exist, the requested exemption would not cause a reduction in existing tax revenue, but rather foregone potential future revenue. And as stated above, subscribers' bill savings alone would bring at least 3 times as much revenue to lower wealth communities than the foregone tax would bring to the local jurisdiction – not to mention the wealth creation, job training and education brought to the community.

The benefits of these projects to LMI families and their communities across the state, over a generation, would be substantial.

The Climate Access Fund urges a favorable report on HB 76. Thank you.

Lynn Heller, CEO
Climate Access Fund Corporation
lynn@climateaccessfund.org
(410) 371-6276

MD Catholic Conference_FAV_HB0076.pdf

Uploaded by: MJ Kraska

Position: FAV



ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

January 19, 2021

HB 76

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

House Ways and Means Committee

Position: Support

The Maryland Catholic Conference (“Conference”) represents the public policy interests of the three Roman Catholic (arch) dioceses serving Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington.

House Bill 76 exempts certain community solar energy generating systems from local energy taxes and personal property taxes; and generally relating to tax exemptions for community solar energy generating systems. Such exemptions will be established to a community solar energy generating system that provides at least 50% of the energy it produces to low- or moderate-income customers, as defined in regulations of the public service commission, at a cost that is at least 20% less than the amount charged by the electric company.

As Pope Francis has written, climate change “*represents one of the principal challenges facing humanity in our day*” (*Laudato Si*, no. 25), threatening the wellbeing of peoples and the environment. Catholic social teaching envisions a sustainable and authentic human development, where technological solutions respect the principle of integral ecology and take into account social, economic and ecological considerations.

House Bill 76 aims to address the much needed investment in renewable energy policies to be set to sustain and achieve a healthy global ecosystem. We encourage discussion around the components and goals outlined in this legislation and hope they are a catalyst for positive social and ecological outcomes.

The Conference appreciates your consideration and, for these reasons, respectfully requests a favorable report on House Bill 76.

HB76_IndivisibleHoCoMD_FAV_RichardDeutschmann.pdf

Uploaded by: Richard Deutschmann

Position: FAV



HB76 – Community Solar Energy Generating Systems - Exemption From Energy and Property Taxes

Testimony before

House Ways and Means Committee

January 19, 2022

Position: Favorable

Madame Chair, Mr. Vice Chair and members of the committee, my name is Richard Deutschmann, and I represent the 750+ members of Indivisible Howard County. We are providing written testimony today in support of HB76, to lower the tax burden on Community Solar systems that serve LMI (Low & Moderate Income) communities. Indivisible Howard County is an active member of the Maryland Legislative Coalition (with 30,000+ members). We appreciate the leadership of Del. Smith for sponsoring this important legislation.

This bill is a win-win for both equity for our LMI citizens and communities, as well as supporting strong solutions for global climate change. HB76 does this by eliminating the tax burden on rooftop, parking lot and brownfield community solar projects that benefit LMI households, which are typically more expensive to develop than that of greenfield development in rural areas. Traditionally this has meant that LMI communities have had limited access to these projects being built in their communities, and for LMI citizens to participate in a program designed to lower their energy cost burden. This in turn will increase project development and construction of community solar in our LMI communities, bringing jobs and economic benefits to areas traditionally overburdened by environmental pollutants.

For these reasons, we believe that this legislation embodies the very essence of Climate Justice, and is the kind of solution that can make Maryland a leader in addressing inequities in our LMI communities while moving boldly on climate solutions.

Thank you for your consideration of this important legislation.

We respectfully urge a favorable committee report.

Richard Deutschmann
Columbia, MD 21045

Via testimony HB76.pdf

Uploaded by: Sara Via

Position: FAV

January 17, 2022



UNIVERSITY OF
MARYLAND
EXTENSION
Solutions in your community

To: House Ways and Means Committee

From: Dr. Sara Via, Professor and Climate Extension Specialist,
University of Maryland College Park
svia@umd.edu

Re: *Testimony in support of HB 76*

HB 76 helps Maryland address three key problems associated with climate change and environmental justice:

1. There is no time to wait on climate action. Climate change is accelerating and its impacts on Maryland's people and economy are becoming more serious each year. By increasing the generation of solar power within Maryland and encouraging solar development on marginal land such as parking lots and brownfields, HB 76 contributes positively to Maryland's rational response to the climate crisis.

2. Low and middle income (LMI) families pay a larger share of their incomes for household energy while suffering disproportionately from air and water pollution from electricity generation. HB 76 addresses both of these environmental injustices. The proposed 20% discount on electricity will greatly assist LMI households, where keeping warm in winter and cool in summer is an ongoing economic burden. Although the proposed community solar projects will generate only modest amounts of electricity, they still put us one step closer to reducing unhealthy air and water pollution from Maryland's remaining coal-fired generating plants. This benefits all Marylanders and is particularly helpful to LMI communities closest to the outdated coal-fired plants.

3. Using land for solar arrays that is otherwise unsuitable for development is an essential step forward in the energy transition. Because it is cheaper and easier to install solar arrays on open farmland, most solar developers favor agricultural sites for their installations. Using agricultural land in this way is massively shortsighted, particularly in a state like Maryland where there is ongoing pressure to develop agricultural land. Why jeopardize future food production when open land unsuitable for development is abundant? Offering incentives to site solar arrays on otherwise unusable land like brownfields, closed landfills and parking lots gives these barren wastelands new value while protecting valuable farmland.

In addition, establishing meadows of native plants around solar arrays on brownfields and old landfills adds additional value by increasing biodiversity and improving water management. Solar parking canopies provide welcome relief from the relentless heat radiated from asphalt parking lots while generating clean energy to power our electric vehicles. These are images of the kind of world we can have by choosing to totally electrify buildings and transportation and then to power it all with clean renewable energy like wind and solar.

I encourage you to give HB 76 a positive report to support Maryland's efforts to make this cleaner and more environmentally just world a reality. Thank you!

Collaborative Support Letter HB 76.pdf

Uploaded by: Susan Miller

Position: FAV



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.¹ Removal of this financial barrier to low and

¹ 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.

Respectfully submitted,

A handwritten signature in blue ink that reads "Susan Stevens Miller". The signature is fluid and cursive, with the first names being more prominent.

Susan Stevens Miller
Senior Attorney, Clean Energy Program
Earthjustice
smiller@earthjustice.org

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

HB0076_W&M_FAV_SGC_Power.pdf

Uploaded by: Tyler Jones

Position: FAV

January 19, 2022

Maryland House of Delegates
House Ways and Means Committee
Room 131
House Office Building
Annapolis, Maryland 21401

RE: House Bill 76 - Community Solar Energy Generating Systems - Exemption From Energy and Property Taxes

Position: **SUPPORT**

Dear Chairwoman Atterbeary, Vice Chair Washington and Members of the House Ways and Means Committee,

Thank you for holding this public hearing today and allowing our testimony. I write to you to urge your favorable recommendation of House Bill 76. This bill provides the necessary tax exemptions to make community solar facilities feasible on rooftops, brownfields and parking facility canopies.

SGC Power is a Howard County-based Community Solar development company. Our team has decades of combined solar experience, developing hundreds of megawatts of electricity across the country with a focus on the Mid-Atlantic, especially in Maryland.

SGC Power wholly welcomes the proposed legislation. This bill will of course provide greater opportunities for local community solar development companies like SGC to consider more rooftop, brownfield and parking facility canopies. In doing so, this will provide more opportunities for your constituents to enjoy the benefits that come with subscribing to a community solar facility.

This legislation provides greater opportunities and incentives for the development and construction of more community solar facilities through its tax exemption, which opens the door to developing rooftops that would otherwise not be financially viable. For example, when developing community solar facilities on a rooftop, while the available square footage may be adequate to host a solar facility, many other factors come into play, much of which revolve around a roof's structural capacity to handle the additional loading as well as the lifecycle of the roofing materials and how to handle a future roof replacement. Similarly, when constructing a parking canopy solar facility, costs increase significantly due to the structural steel associated with elevating the array high enough above vehicles, as well as the general system hardening required to ensure safe operations concurrent with vehicular traffic below.

Arguments will be made that by making these community solar facilities tax exempt, counties will be losing out on the tax revenue coming from the facilities to in turn put money back into their communities. These arguments are inaccurate because without this bill, these solar facilities are not financially viable and will not otherwise be developed. One item in the bill, one that SGC fully backs, is the requirement that 50 percent of the energy produced from facilities receiving the tax exemption goes to low- or moderate-income customers. By adding this requirement, the counties, albeit indirectly of the county government, still benefit from these solar facilities by allowing their citizens the opportunity to save on their electric bills and having that money available to put towards a different need, of which could be spent back within their community.

SGC Power supports HB76 and for all the reasons above, we respectfully ask the Committee for a favorable report.

Thank you for your support, we are available for any questions you may have.

Regards,

Tyler D. Jones

SGC Power | Director, Legislative Affairs

(410) 709-4986

Tyler.Jones@sgc-power.com

HB 76_FWA_MML.pdf

Uploaded by: Justin Fiore

Position: FWA



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

January 19, 2022

Committee: House Ways and Means Committee

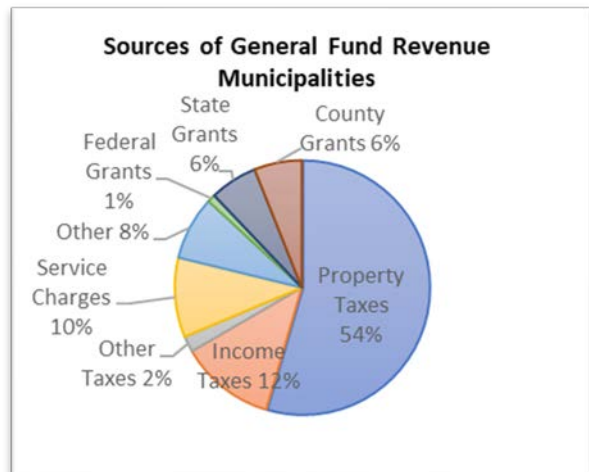
Bill: HB 76 – Community Solar Energy Generating Systems – Exemption from Energy and Property Taxes

Position: Support with Amendment

Reason for Position:

The Maryland Municipal League supports HB 76 with an amendment to authorize local governments set lower personal property tax rates for community solar projects and offer full exemptions as well. As introduced, the bill mandates certain community solar projects be exempted from municipal personal property taxes.

As it stands, municipalities are overdependent on property taxes to provide essential services for their residents. Over half of municipal general fund revenues are derived from property taxes, and for some, property taxes account for over 65% of total revenues. Local jurisdictions have little control over the other major sources of revenue, leaving municipalities with few options when fiscal challenges arise. **Maryland's cities and towns are not in a position to exempt an emerging industry from personal property taxes.**



The League would, however, support the bill with amendments that allow for the creation of a new class of personal property as to adopt lower rates and the authority to fully exempt these projects from personal property taxes, such as those included in SB 841 of 2021. This

would allow local governments the flexibility to incentivize the development of such projects within their budget constraints.

Therefore, the League respectfully requests that this committee provide HB 76 with a favorable report with the following amendments.

FOR MORE INFORMATION CONTACT:

Scott A. Hancock	Executive Director
Angelica Bailey	Director, Government Relations
Bill Jorch	Director, Research & Policy Analysis
Justin Fiore	Manager, Government Relations

Suggested Amendment Language for House Bill 76
(Based on 2021 compromise in the Senate with SB 841)

Add:

Article – Tax – Property

6–302.

(b) (1) Except as provided in subsection (c) of this section, §§ 6–305 and 6–306 of this subtitle and § 6–203 of this title:

(i) there shall be a single county property tax rate for all real property subject to county property tax except for operating real property described in § 8–109(c) of this article; [and]

(ii) the county tax rate applicable to personal property and the operating real property described in § 8–109(c) of this article shall be no more than 2.5 times the rate for real property; **AND**

(III) THE COUNTY TAX RATE APPLICABLE TO SOLAR ENERGY PROPERTY PERSONAL PROPERTY THAT IS A COMMUNITY SOLAR ENERGY GENERATING SYSTEM DESCRIBED UNDER § 8–101(C) OF THIS ARTICLE MAY BE A DIFFERENT RATE FROM THE COUNTY TAX RATE APPLICABLE TO OTHER PERSONAL PROPERTY, SUBJECT TO THE LIMITATION UNDER ITEM (II) OF THIS PARAGRAPH.

Replace 7-237 (C)(2) with:

(2) THE GOVERNING BODY OF A COUNTY OR MUNICIPAL CORPORATION MAY EXEMPT, BY LAW, PERSONAL PROPERTY THAT IS A COMMUNITY SOLAR ENERGY GENERATING SYSTEM FROM THE COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IF THE PERSONAL PROPERTY IS:

(I) PART OF A COMMUNITY SOLAR ENERGY GENERATING SYSTEM THAT PROVIDES AT LEAST 50% OF THE ENERGY IT PRODUCES TO LOW- OR MODERATE-INCOME CUSTOMERS, AS DEFINED IN REGULATIONS OF THE PUBLIC SERVICE COMMISSION, AT A COST THAT IS AT LEAST 20% LESS THAN THE AMOUNT CHARGED BY THE ELECTRIC COMPANY THAT SERVES THE AREA WHERE THE COMMUNITY SOLAR ENERGY GENERATING SYSTEM IS LOCATED; AND

(II) INSTALLED ON A ROOFTOP, PARKING FACILITY CANOPY, OR BROWNFIELD.

2022 HB76 MD CCSA Favorable Testimony.pdf

Uploaded by: Leslie Elder

Position: FWA



Before the General Assembly of the State of Maryland

Ways and Means
January 19, 2022

Testimony of Leslie Ann Elder
Mid-Atlantic Regional Director
Coalition for Community Solar Access

HB76: Electric – Community Solar Energy Generating Systems-
Exemption from Energy and Property Taxes
FAVORABLE

Thank you for the opportunity to provide testimony on HB76. I am the Mid-Atlantic Director for the Coalition for Community Solar Access (CCSA) where I am charged with implementing and maintaining community solar markets in Maryland, New Jersey, Pennsylvania, and Georgia.

The Coalition for Community Solar Access (CCSA) submits testimony in support of HB76 with the respectful request of revisions to address market requirements for development to achieve multiple policy goals of the Community Solar Pilot Program. CCSA supports the exemption for personal property taxes from local jurisdictions for Community Solar projects that deliver at least 50 percent of the electricity it generates to low-and-moderate-income (LMI) customers. However, CCSA strongly suggests the legislation include similar exemptions for preferred siting projects such as landfills, clean fields, and agrivoltaics.

CCSA is a national coalition of businesses and nonprofits working together to implement best practices for all community solar markets. Our mission is to empower all Maryland households and businesses that seek home grown energy sources through community solar. We work with customers, utilities, local stakeholders, allies and policymakers to develop and implement best practices that ensure community solar programs provide a win-win-win solution. The solution begins with the customer and the land owners. Our members are solar industry leaders and are engaged at every step of development, ensuring these best practices are not theoretical but are applied and practiced. We have members headquartered in Maryland and others who are investing here.

Today, only a fraction of Maryland households, approximately 25%, can access solar energy due to common limiting factors that include home or business ownership, the proper load bearing roof and sun orientation, or financial barriers. Community solar allows anyone who pays an electric bill the opportunity to lower their energy burdens and receive all of the benefits for producing solar energy for their generation source. Community solar has and will continue to bring private investments for grid infrastructure, economic investments to the state and local jurisdictions, jobs, and is a vital tool to combat climate change.



CCSA and our members are active participants in the community solar pilot program and are thankful for the opportunity to use the few remaining years of the pilot program to test out market solutions to achieve the policy objectives of the state and local jurisdictions. In our five years, we have learned there are market limitations to developing projects on preferred sites and to serving low-and-moderate-income-customers, all core policy measures of the underlying statute.

Low-and-moderate income projects receive a 30% carve out in the program to help ensure this policy objective is achieved. However, during the pilot program, these projects have experienced financing difficulties based on the solar market structure and higher costs of development for these projects. The community solar market in Maryland is the smallest project size limit in the region and amongst the smallest in the country, also leading to an increase in development costs. Local opposition to ground-mounted project development has led to significant project delays, increase in cost, and very little development on preferred siting due to insufficient market mechanisms. Ground-mounted project development is the most cost-effective and often the only type of community solar development the Maryland market will allow for.

CCSA recommends moving forward with HB76 and amending the legislation to include the following

- A 50% reduction in real property taxes for brownfields, landfills, clean fields, and rooftops;
- Agrovoltatics, then the land should continue to be zoned as “agricultural” and be taxed for real property taxes under such zoning rather than “industrial” or “commercial” zoning. “Agrivoltatics” for a community solar development is when the land underneath the panels continues to be farmed (e.g., sheep farms or some crop production).
- All tax incentives suggested and supported in this testimony should not extend for projects approved by the PSC after December 31, 2025, but would continue for the life of the project for those approved by the PSC before December 31, 2025.
- There should be a study conducted by the Public Service Commission concerning the effectiveness of the tax exemptions and the ability to promote development per category.

CCSA feels tax exemptions are an effective way to test market mechanisms during a pilot required to promote specific types of community solar development without the need to make broader legislative changes that will impact other renewable energy segments. The amount of revenue forgone by this legislation, with the recommended amendments, will be time limited and help Maryland establish baselines to facilitate a sustainable community solar market designed to achieve the policy priorities of multiple stakeholders.

More community solar serving low-and-moderate-income- customers and sited on less desirable land means more direct and indirect benefits to communities such as jobs, increased economic development, increased resilience, and more equitable access to the benefits of renewables. This allows for a more efficient overall allocation of investments and better utilization of grid assets. Leveraging local solar will help Maryland achieve its unique energy demands and avoid costly distribution system investments.

Thank you for your time and consideration for HB76 and CCSA hopes we can count on your support.



Respectfully,

Leslie Ann Elder, Mid-Atlantic Director
Coalition for Community Solar Access
leslie@communitysolaraccess.org

AACounty_FWA_HB0076.pdf

Uploaded by: Matthew Johnston

Position: FWA



January 19, 2022

House Bill 0076

Community Solar Energy Generation Systems – Exemption from Energy and Property Taxes

Committee: Ways and Means

Position: FAVORABLE WITH AMENDMENTS

The Anne Arundel County Administration supports HB 0076 with amendments that would enable local governments to offer personal property tax exemptions for up to 100 percent of the assessed value of machinery or equipment used by solar energy generation facilities.

HB 0076 aims to incentivize the creation of community solar projects on under-utilized sites that provide power for low-to-moderate-income residents. The Administration fully supports this expansion of personal property tax incentives for this essential group of solar energy generation facilities. We also support giving local governments the ability to provide tax incentives to other types of solar energy facilities.

Under current State law, local governments must provide a 50 percent exemption for personal property tax for any machinery or equipment used to generate electricity or steam for sale.¹ Local governments also have the ability to provide additional personal property tax relief to facilities generating electricity within their borders through a negotiated payment in lieu of taxes agreement (PILOT).²

The Administration encourages owners of solar energy generation facilities to take advantage of the tax relief provided by PILOTs. However, these PILOTs are extremely time-consuming for County staff and property owners to complete. Each PILOT must be negotiated individually, reviewed and approved by the County Council and signed by the County Executive. This adds months to a tax relief process that the General Assembly has encouraged and Anne Arundel County has embraced. Yet, local governments currently have no way to cut through this red tape and offer these exemptions more broadly.

For these reasons, the Anne Arundel County Administration requests the committee vote **FAVORABLE WITH AMENDMENTS** on HB 0076 that would enable each local governing body to expand tax incentives for other types of solar energy generation projects, and bypass the time-consuming PILOT process.

¹ § 7-237(b) of the Maryland Tax Property Article

² § 7-514(a) of the Maryland Tax Property Article

HB0076-WM_MACo_SWA.pdf

Uploaded by: Michael Sanderson

Position: FWA



House Bill 76

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

MACo Position: **SUPPORT
WITH AMENDMENTS**

Date: January 19, 2022

To: Ways & Means Committee

From: Kevin Kinnally and
Michael Sanderson

The Maryland Association of Counties (MACo) **SUPPORTS HB 76 WITH AMENDMENTS**. This bill would exempt a community solar generating system from local energy and personal property taxes under specified circumstances.

MACo generally supports legislation that provides local autonomy to determine the best way to offer tax incentives, rather than those that mandate reductions in local revenue sources. Mandated tax exemptions force counties to forego meaningful local revenues to support essential public services, even if the exemptions do not serve their best interests.

Under the bill, a community solar energy generating system installed on a rooftop, parking canopy, or brownfield would be exempt from local energy and personal property taxes. In addition, to be eligible, the system must deliver at least 50 percent of the energy it produces to low- or moderate-income customers at a discounted rate.

In general, MACo stands for local self-determination. Counties, led by their elected leaders who are directly accountable within the community, are best positioned to make decisions on local affairs – ranging from land use to budget priorities.

MACo would appreciate broad flexibility to enact solar tax incentives locally, as many counties are promoting solar projects on rooftops, brownfields, or less desirable lands as alternatives to large-scale energy generation facilities. However, especially as community solar becomes more viable, this bill could significantly undermine local revenues and support for essential services and community needs.

As such, MACo urges a "local option amendment" to allow each jurisdiction that chooses to enact these incentives flexibility to meet specific local needs and priorities. Additionally, this will give each county broad discretion to determine how much revenue it is willing to forego to provide the desirable benefits encouraged by the bill.

Counties stand ready to work with state policymakers to develop flexible and optional tools to create broad or targeted tax incentives, but resist state-mandated changes that preclude local input.

Accordingly, MACo urges the Committee to give a **FAVORABLE WITH AMENDMENTS** report on HB 76, creating local discretion and potentially even broader flexibility.

system_notification@havredegracemd.com_20220114_15

Uploaded by: Adam Rybczynski

Position: UNF



CITY OF HAVRE DE GRACE

OFFICE OF THE MAYOR

William T. Martin

January 19, 2022

The Honorable Vanessa E. Atterbeary
Chair, Ways and Means Committee
Room 131
House Office Building
Annapolis, Maryland 21401

Madam Chair and the Honorable Members of the Ways and Means Committee:

RE: Oppose HB 76- Community Solar Energy Generating Systems – Exemption from Energy and Property Taxes

The City of Havre de Grace opposes House Bill 76. If passed, the bill would eliminate the city's authority to tax energy associated with the production of electricity by a community solar energy generating system under certain circumstances.

The legislation would reduce the taxing authority of municipalities; therefore, the City of Havre de Grace opposes HB 76 and respectfully request the committee give the bill an unfavorable report.

William T. Martin
Mayor, City of Havre de Grace

HB0076 (SB0264) - LOI - Community Solar Energy Gen

Uploaded by: Landon Fahrig

Position: INFO



Maryland
Energy
Administration

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Mary Beth Tung, Director

TO: Members, House Ways & Means Committee
FROM: Mary Beth Tung – Director, MEA
SUBJECT: HB0076 (SB0264) - Community Solar Energy Generating Systems - Exemption From Energy and Property Taxes
DATE: January 19, 2021

MEA Position: Letter of Information

This bill as written is a mandate on local government, and permissible language would likely assist local governments in their future planning processes.

The Maryland Energy Administration (MEA) strongly supports clean and renewable energy with its bevy of programs, including significant support of solar. MEA offers grants for rooftop solar, community solar, including low-to-moderate income installations, and parking lot solar canopies with integrated electric vehicle supply equipment.

A bill similar to HB 76 was introduced in the 2021 legislative session. That bill was permissive in nature, and did not thrust a mandate on local governments. Admittedly, that piece of legislation was broader in its application; not limiting the impact to solar generating stations that serve at least 50% low-to-moderate income subscribers. MEA also notes that HB 76 further limits its impacts to solar installations that are on rooftops, brownfields, or that are parking facility canopies.

Even with the constraints of the legislation as written, local governments may be negatively impacted, and impacted in perpetuity. MEA urges the committee to consider the proceeding prior to issuing its report.