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Subcommittee



The Maryland House of Delegates  
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THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

Delegate C. T. Wilson  
Chairman, House Economic Matters Committee  
House Office Building – Room 231  
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Mr. Chairman,

I am writing in favor of HB 1425 (Brighter Tomorrow Act) – Renewable Energy – Net Metering Aggregation, Solar Renewable Energy Credits, and Taxes on Solar Energy Generating Systems.

Last year, Senate Bill 469 (SB 469) established a task force to study solar energy incentives and make recommendations to ensure that Maryland meets the solar energy goals established in our renewable portfolio standard.<sup>1</sup> The task force considered the types and impact of solar incentives, measures and incentives that could be recommended, and evaluated how to enhance minority business participation, create good quality jobs, ensure equitable access, and promote efficient land use.<sup>2</sup> HB 1425 the Brighter Tomorrow Act, cross-filed with SB 783, is the result of recommendations approved by the workgroup.

HB 1425 includes an “SREC multiplier”, a bridge program to long-term SREC (Solar Renewable Energy Certificate) reform to jumpstart new solar projects. This program does not provide additional funding for existing solar projects, and creates zero additional costs to ratepayers. The program would support harder to finance smaller projects, like those on rooftops, parking canopies, or brownfields and be limited only to projects that begin generating electricity before January, 2028.

In 2022, legislation was enacted to incentivize and make possible small projects serving predominantly low and moderate income households located on already developed land or using agrivoltaics. HB 1425 follows the recommendations of the task force to extend the sunset of this LMI Community Solar Personal Property Tax Exemption to 2030.

The task force also recommends providing additional incentives for projects that may help reduce pressure for ground-mount solar. The Additional Property Tax Exemptions and Real Property Abatement Authorization seeks to further expand the development of rooftop and parking canopies, which offer co-benefits to residents.

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<sup>1</sup> S.B. 469, 2023 Leg., 445th Sess. (Md. 2023).

<sup>2</sup> Maryland Energy Administration, Task Force to Study Solar Incentives, (forthcoming Mar. 2024)

Through the Payment in Lieu of Taxes provision of this bill, ground-mount solar projects will pay fees to counties to help support county government permitting offices. These fees will help to create consistency for solar developers and support an additional revenue stream for counties.

HB 1425 raises the cap for Aggregate Net Metered (ANEM) projects from 2MW to 5MW, which are available to government, non-profit, and agricultural customers. This will open more opportunities for state and local governments as well as large nonprofit and agricultural customers to access solar opportunities and help fulfill demand.

Finally, HB 1425 includes a requirement for prevailing wage for all projects over 1MW, creating parity among all solar installations.

HB 1425 is directly informed by the Task Force to Study Solar Incentives, and seeks to ensure that all Marylanders can install, access, and enjoy the benefits of solar projects. Solar incentives are a vital piece of achieving our solar energy goals, HB 1425 seeks to ensure that those goals are met while also creating good jobs, ensuring equitable access, and supporting informed land use.