



February 29, 2024

To: House Economic Matters Committee

From: Horizon Farm Credit

Bill: **HB 1407 – County Tier 1 Renewable Sources – Generating Systems, Capacity, and Generation – Prohibition, Studies, and Plans**

Position: OPPOSE

Horizon Farm Credit is a member-owned cooperative supporting rural communities and agriculture with reliable, consistent credit and financial services throughout our five-state lending territory in good times and bad. With over \$6.5 billion dollars in loans outstanding to over 23,000 member-owners representing the full range of agriculture, we are one of the largest agricultural lenders on the East Coast.

Although Farm Credit recognizes the need to diversify the State's energy sources, renewables included, we are concerned with the provision in **HB 1407** that would prohibit a county from implementing zoning laws or other regulations that would restrict or prohibit the construction or operation of energy generating operations utilizing Tier 1 sources.

The men and women engaged in agriculture and the businesses that support it tend to be some of the most civic-minded folks in their communities – serving on local government boards and commissions, in addition to commodity and advocacy organizations like Farm Bureau, Delmarva Chicken Association, and MD Grain Producers. Many more also take part in their county's comprehensive planning process participating in numerous meetings over many months (even years) to ensure community consensus and buy-in and prevent knee-jerk decisioning. Ideally, the end result of such a lengthy and thorough process is a planning and zoning approach that reflects the values and priorities of the community itself – including those regarding the siting of renewable energy facilities.

However, we do appreciate and recognize the need for the study provisions of the bill designed to provide our counties and the State a better understanding of the electricity demand in each county and the capacity of and generation from Tier 1 renewables needed in each county to meet the requirements of the renewable energy portfolio standard.

Armed with such information, the Maryland General Assembly, local governments, stakeholder groups, and all Marylanders will be able to, in a strategic and thoughtful manner, work together to identify the most appropriate approach to siting renewable energy production in each county.

While we are supportive of the bill's study provisions, **Horizon Farm Credit respectfully opposes HB 1407** as a result of its provisions restricting a county's ability to fully reflect community sentiment regarding the siting of energy facilities using Tier 1 renewables.

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