



Committee: Environment and Transportation
Testimony on: SB0206-Condominiums-Common Elements – Clean Energy Equipment
Organization: Maryland Legislative Coalition Climate Justice Wing
Submitting: Deborah Cohn, Member
Position: Favorable
Hearing Date: March 26, 2024

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of SB0206. The Maryland Legislative Coalition (MLC) Climate Justice Wing, a statewide coalition of nearly 30 grassroots and professional organizations, urges you to vote favorably on SB0206.

SB0206 amends the Maryland Condominium Act (MCA) to facilitate the ability of condominium associations to lease solar panels, storage systems for the generated energy, and EV chargers, which would help Maryland meet its clean energy goals. The Renewable Portfolio Standard calls for 14.5% of Maryland’s clean electricity to be contributed by solar energy, but the State has repeatedly fallen considerably short of this goal. The Advanced Clean Cars II regulations require that 100% of new cars, light-duty trucks and SUVs sold in Maryland be zero-emission vehicles by 2035, yet range anxiety and the time required for non-residential recharging inhibit many from purchasing EVs. Installation of EV chargers in condominium parking lots would address that concern.

The Problem

Section 11-125 of the Maryland Condominium Act makes leasing and installing clean energy equipment difficult. It requires the approval of 2/3 of all unit owners and their secured lenders. Volunteer condominium boards do not have the time or funds needed to get in touch with all unit owners (including non-residents) and lenders by certified mail. Consequently, as of this Committee’s hearing on SB0593 in 2023, Tom Deyo [testified](#) that none of the Montgomery County Green Bank’s completed solar projects have involved condominiums even though the County had over 200 condominium properties and 42,000 condo unit owners.

These rigorous requirements, traditionally applied to easements and rights of way which might impair the value of a property, should not apply to solar energy, energy storage or EV charging equipment leases, which are akin to leasehold improvements. Indeed, under solar energy equipment leases, equipment is installed and maintained at no cost to the condominium association and results in lower electricity costs than available from the local utility. Thus, if anything, the solar energy leased equipment would increase the value of the condominium units and the security of lenders.

The Solution

SB0206 addresses these obstacles by (1) lowering the threshold of owner approval to 51%, (2) allowing for approval by a condominium's governing board after meeting certain MCA conditions, and (3) removing the requirement that mortgage holders approve the lease of clean energy equipment.

While determining the number of condominium properties and units is difficult, the Community Associations Institute estimated in [marylandcondostats.pdf \(caionline.org\)](#) that in 2017 Maryland had approximately 147,000 condo units. Thus, the potential for leasing clean energy equipment to condominium associations is significant. Facilitating the ability of condominium owners to install solar panels, energy storage and EV chargers in common elements helps Maryland attain its greenhouse gas reduction goals. Therefore, we recommend a **FAVORABLE** report for SB0206 in committee.

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Adat Shalom Climate Action

Cedar Lane Unitarian Universalist Church Environmental Justice Ministry

Chesapeake Earth Holders

Chesapeake Physicians for Social Responsibility

Climate Parents of Prince George's

Climate Reality Project

ClimateXChange – Rebuild Maryland Coalition

Coming Clean Network, Union of Concerned Scientists

DoTheMostGood Montgomery County

Echotopia

Elders Climate Action

Fix Maryland Rail

Glen Echo Heights Mobilization

Greenbelt Climate Action Network

HoCoClimateAction

IndivisibleHoCoMD

Maryland Legislative Coalition

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Montgomery County Faith Alliance for Climate Solutions

Montgomery Countryside Alliance

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