



CLIMATE COALITION
Montgomery County, MD

Committee: Judicial Proceedings
Testimony on: SB0206 -Condominiums-Common Elements – Clean Energy Equipment
Organization: Climate Coalition Montgomery County
Submitting: Deborah Cohn, Member
Position: Favorable
Hearing Date: January 30, 2024

Dear Chair and Committee Members:

Thank you for allowing our testimony today in support of SB0206. The Climate Coalition Montgomery County, a coalition of over 20 grassroots organizations and residents, aims to help the county reach its goal of reducing its greenhouse gas emissions by 80% by 2027 and 100% by 2035. SB0206 would further that goal, so we urge 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 HB0101 in 2023, Tom Deyo testified¹ that none of the Montgomery County Green Bank’s 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.

¹ https://mgaleg.maryland.gov/cmte_testimony/2023/jpr/1VEJ3Q6eye-a6YPn_WRBgV3m2h52rePle.pdf

The Solution

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

While determining the number of condominium properties and units is difficult, using the annual registration of common ownership communities in Montgomery County, the Office of Legislative Oversight Report 2019-6,² indicated that as of 2019 there were 343 condominiums with roughly 39,900 unit owners in just five zip codes. The Community Associations Institute estimated³ 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 and Montgomery County attain their respective greenhouse gas reduction goals. Therefore, we recommend a **FAVORABLE** report for SB0206 in committee.

The Climate Coalition Montgomery County

350 Montgomery County
ACQ Climate (Ask the Climate Question)
Bethesda Green
Chesapeake Climate Action Network
Elders Climate Action
Environmental Justice Ministry Cedar Lane Unitarian Universalist Church
Friends of Sligo Creek
Glen Echo Heights Mobilization
Green Sanctuary Committee of the Unitarian-Universalist Church of Silver Spring
Montgomery County Faith Alliance for Climate Solutions
Montgomery Countryside Alliance
One Montgomery Green
Poolesville Green
Sugarloaf Citizens' Association
Transit Alternatives to Mid-County Highway Extended/M-83
The Climate Mobilization Montgomery County
Takoma Park Mobilization Environment Committee
Zero Waste Montgomery County

² [00206BB8FE32190624130039 \(montgomerycountymd.gov\)](https://montgomerycountymd.gov/00206BB8FE32190624130039)

³ [marylandcondostats.pdf \(caionline.org\)](https://caionline.org/marylandcondostats.pdf)