LIGHTSTAR

February 28, 2025

Chairman Brian Feldman
Senate Education, Energy and The Environment Committee
2 West Miller Senate Office Building

Chairman CT Wilson
House Economic Matters Committee
230 Taylor House Office Building

Chairs Feldman and Wilson, and members of the Senate Education, Energy, and the Environment Committee and the House Economic Matters Committee,

Thank you for the opportunity to testify on SB931/HB1036. **We are respectfully favorable with amendments.**

LightStar Renewables is a solar company that focuses on farmers. Our agrivoltaics (AGpV) projects allow landowners to double the productivity of their land through dual-use community solar projects. Farmers can continue to raise crops or graze livestock, and landowners can continue to offer farm leases while also receiving reliable, long-term income from a solar lease.

Lightstar designs each AGpV project to accommodate an individual farmer's equipment and the type of agricultural product they produce. As part of our design process, we engage an agricultural consultant to help coordinate across parties, including the landowner, tenant farmer, and developer, to ensure that the solar design and farming plan are compatible with agriculture. This also provides the farmer with the flexibility to respond to market signals or try something new and innovative on the land.

Based on peer-reviewed research, most crops with the exception of corn are successfully grown and harvested. Commodity crops, which are most important to Maryland such as grains, soy, and hay benefit from the microclimate of the arrays. Successful agrivoltaic specialty crops include fruits—especially berries—and fruiting vegetables such as squash, cucumbers, tomatoes, and peppers. Broccoli and leafy greens like kale have also shown success in agrivoltaic conditions. A large selection of Lightstar's projects plan to produce hay or soybeans, both of which are easy to accommodate in agrivoltaics. For grazing, sheep have proven to be successful, but Lightstar is excited about the opportunity to showcase cattle grazing, which we have come up with proprietary designs for.

We are favorable to this bill with three amendments, all related to ensuring that farming operations can continue and the intent of AGpV is protected.

1. Updating the Definition of Agrivoltaics

The existing definition in **Public Utilities Article 7–306.2** was a solid starting point. However, due to vague language, we understand that pollinator habitat projects are being classified as Agrivoltaics —a designation we believe was not the original intent, and only diminishes the definition overall due to the benefits that AGpV projects receive and provide to the rural farming communities they operate in. Pollinator habitat should not be considered active commercial agricultural operations.

While pollinator habitats play a valuable role in land conservation and habitat creation, they do not offer the same degree of agricultural land preservation, dual income benefit for farmers, or face the same compliance requirements as farms maintained under the **Agricultural Use Assessment** (detailed in **Appendix A**). We fully support the inclusion of commercial pollinators and encourage their development, but pollinators habitat should not be categorized as Agrivoltaics. Pollinator habitat solar projects do not incur the same Engineering,

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Procurement, and Construction costs of an agrivoltaics project. Agrivoltaics projects require burying of cable, widening of rows, and individual motorized rows for single access trackers – none of these costs are required for pollinator habitat therefore, they don't need to be incentivized.

We've worked hard with Maryland Farm Bureau and the Maryland Association of Counties as well as other stakeholders to come up with a definition that protects farms and counties.

Proposed Definition Update:

(a) (1) In this section, the following words have the meanings indicated.
(2) "Agrivoltaics" means the simultaneous use of areas of land**, which shall be maintained in Agricultural Use Assessment as determined under Title 18 and the Maryland Assessment Procedures Manual, in consultation with the Maryland Department of Agriculture**, for both solar power generation and:

- (i) raising grains, fruits, herbs, melons, mushrooms, nuts, seeds, tobacco, or vegetables;
- (ii) raising poultry, including chickens and turkeys, for meat or egg production;
- (iii) dairy production, such as the raising of milking cows;
- (iv) raising livestock, including cattle, sheep, goats, or pigs;
- (v) horse boarding, breeding, or training;
- (vi) turf farming;
- (vii) raising ornamental shrubs, plants, or flowers, including aquatic plants;
- (viii) aquaculture;
- (ix) silviculture; or
- (x) any other activity as **determined under Title 18 and the Maryland Assessment Procedures Manual in consultation with the Department of Agriculture as an agricultural activity, except pollinator habitat and apiaries.**

2. Exempting Agrivoltaics from the PILOT Provision

Building on the General Assembly's decision to exempt **Agrivoltaics (AGpV) projects** from county and municipal personal property taxes throughout their lifecycle (**CH652 - 2023**), we request a similar exemption from the **PILOT provision**.

AGpV projects are costly to design and build, yet they offer significant land preservation benefits to government entities while providing a reliable long-term additional revenue stream for farmers. Maintaining this exemption is essential to ensuring the financial viability of these projects.

3. **Fencing standards for these projects should be determined during the soil and water quality conservation plan design process in coordination with local jurisdictions.**

Well-designed agrivoltaic arrays accommodate most tractors and combines, and we tailor planning to the specific implements and planters a farmer intends to use. Depending on the project, a 12-row planter is typically required to fit between rows, with adequate turning space at the row ends. This turning space is essential to the success of agrivoltaic projects**.** To ensure safe equipment maneuvering, fencing must be set back sufficiently—typically 50 to 90 feet from the end of the solar array rows.

We appreciate your willingness to hear our thoughts, and look forward to continued partnership.

Lucy Bullock-Sieger
VP of Strategy

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Appendix A

Penalties for Non-Compliance That a Pollinator Project Would Not Be Subject To:

1. If the owner/operator of the array fails to maintain the project in compliance with Agricultural Use Assessment, then Lightstar would be required to:
    - Pay an agricultural land conversion tax penalty
    - Pay a 25% surcharge plus 10% penalty
2. The land will then be assessed at its new fair market value, which for a 3-5MW project could be $2 million over the project lifetime.
3. This would constitute a breach of contract with the landowner, leading to significant legal ramifications.
4. Lightstar would lose eligibility for any federal or state grants.
5. Any other grant or incentive programs used for the project would be breached.
6. If Lightstar's CPCN or county permit approval was for an AGpV project and it fell out of compliance, it would be subject to legal penalties as well.

Criteria for Land Qualification Under Agricultural Use Assessment

For a detailed understanding of Agricultural Use Assessment, refer to:
Maryland Department of Assessments & Taxation

To qualify for Agricultural Use Assessment, land must be:

- Actively used for farm or agricultural purposes, as defined under COMAR Title 18.
- Subject to approved agricultural activities, which include factors such as:
    - The nature of the agricultural activity
    - Amount of land actively used for farming
    - Ratio of associated land to actively used land
    - Type and quantity of livestock or poultry on-site
    - Participation in government/private agricultural programs
    - Gross income of ($2,500 per year in farm revenue).
- Parcels under 20 acres may qualify if they meet the gross income test.
- Parcels may also qualify as a Family Farm Unit or be combined as an Agricultural Land Unit (ALU) under the same ownership.