



House Bill 345

Date: February 10, 2026

Committee: House Environment & Transportation

Position: Information

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

The Chamber supports efforts to expand access to clean and renewable energy, including policies that encourage responsible growth of solar generation and broaden participation for Maryland residents and businesses. While House Bill 345 (HB 345) includes provisions addressing small-scale, plug-in solar systems, those provisions represent only a portion of the legislation. As drafted, HB 345 significantly restructures the Renewable Portfolio Standard and the Solar Renewable Energy Credit (SREC) program, expands compliance and payment obligations beyond electric suppliers to include all electric companies, and introduces new procurement and compliance requirements that would apply to municipal utilities and electric cooperatives. These changes are substantial and highly technical, and the bill leaves important questions regarding its practical implications.

HB 345 replaces market-based price signals with an administratively defined incentive structure that would allow the Public Service Commission to effectively set SREC prices. This represents a significant departure from the existing market-driven framework and removes competitive forces that traditionally help manage costs. In addition, the bill lifts existing Alternative Compliance Payments without clearly demonstrating how the replacement mechanisms would protect ratepayers. As drafted, it is not clear how these changes would translate into lower electricity costs or improved affordability for Maryland households and businesses, and there is uncertainty regarding how compliance costs would ultimately be reflected in customer bills.

We understand that New Jersey adopted similar policies. However, available data suggests that it did not accelerate solar deployment and, in some cases, coincided with reduced build rates. With respect to the plug-in solar provisions, HB 345 raises technical and safety questions related to building readiness and electrical standards, including how two-way power flow would be addressed in buildings that were not designed for it.

The Chamber believes further clarity regarding cost impacts, implementation, and technical standards would be beneficial to fully assess its potential effects on ratepayers and the business community.

We appreciate your consideration of our comments on **HB 345**.