



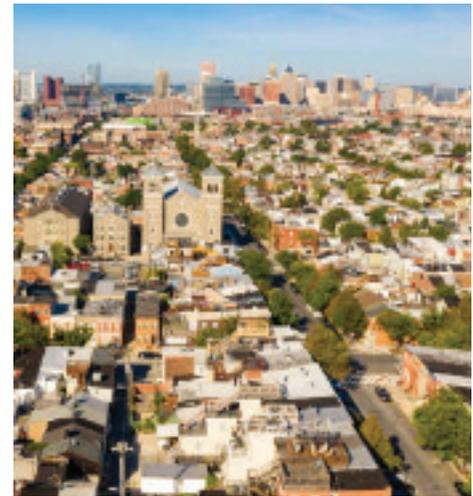
HB76/SB264: Community Solar Energy Generating Systems

Incentivizing community solar projects for low- and moderate-income households

Maryland's Community Solar program has been an essential part of our state's drive to expand our use of renewable energy to meet our greenhouse gas reduction goals and to expand access to clean sources of energy among Maryland households. However, the current program is not adequately reaching low- and moderate-income ("LMI") households, and the majority of community solar projects are being built on previously undeveloped land, which puts pressure on open space, agricultural land and, in some cases, forests.

HB76 / SB264, the Low- and Moderate-Income Community Solar Tax Credit, would help Maryland address these inequities and advance community solar projects. The bill exempts projects in LMI communities from county or municipal personal property tax for community solar projects installed on rooftops, parking lots, roadways, or brownfields.

The community solar program has the potential to reduce the energy burden of thousands of LMI Maryland households while generating solar power on developed land, such as rooftops



and parking canopies of our cities and towns. Currently, it is not financially viable to develop smaller rooftop and parking canopy community solar projects without subsidies. We need to both remove financial barriers and provide financial incentives if we are to encourage the development of these types of projects that provide



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discounted clean energy to LMI households, create local jobs, and mitigate carbon emissions.

HB76/SB264:

- Exempts community solar projects that reserve more than half of the power they generate for consumption by LMI income households and which are installed on rooftops, parking lots, roadways, or brownfields, from county or municipal personal property tax.
- Encourages community solar generation in communities that are burdened by environmental pollutants and helps provide assistance to low- and moderate-income households.
- Will help to overcome the greater costs associated with developing projects that serve low- and moderate-income customers, and those that are located on land that has already been developed (such as rooftops, parking lots, and brownfields).

Under current tax policy in Baltimore, this project would be taxed an estimated \$8,800 in personal property taxes in Year 1 and an estimated \$10,600 energy taxes in Year 1 (using the commercial rate). This totals an estimated \$19,400 in Year 1 personal property and energy production taxes.

In this example, therefore, this LMI community solar project would provide well over \$35,000 in annual social and economic benefits to Baltimore City, while the combined tax value of these projects would be \$19,400.

For additional information, please contact: Kristen Harbeson, Political Director, at kharbeson@mdlcv.org

COMMUNITY V. TAX BENEFIT



According to the Climate Access Fund, a 100% LMI, 874 kilowatt rooftop community solar project in Baltimore City would:

- Reduce 180 families' electricity bills by 25%, for an annual savings of approximately \$35,000;
- On average, save individual LMI households an annual estimate of \$200 a year
- Create 5 to 10 jobs or apprenticeships; and
- Reduce carbon emissions by 27,079 metric tons over 35 years (the equivalent of taking 5,889 passenger cars off the road for a year).

HB76/ SB264: Community Solar Energy Generating Systems, sponsored by Delegate Stephanie Smith and Senator Sarah Elfreth, is a winning proposition that would provide tax breaks to low- and moderate-income households while addressing Maryland's climate challenges.

To support this legislation, please go to mdlcv.org/action-alert/urge-your-legislators-to-support-expanding-community-solar-in-maryland