

# HOUSE BILL 853

L1, M5

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By: **Chair, Economic Matters Committee (By Request – Departmental – Maryland Energy Administration)**

Introduced and read first time: February 3, 2020

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Local Government – Clean Energy Loan Programs – Grid Resilience Projects**

3 FOR the purpose of altering the purpose of a certain clean energy loan program established  
4 by a county or municipality to include loans to certain commercial property owners  
5 to finance grid resilience projects; requiring a certain ordinance or resolution that  
6 establishes a certain clean energy loan program to include certain eligibility  
7 requirements for grid resilience projects; and generally relating to clean energy loan  
8 programs established by counties and municipalities.

9 BY repealing and reenacting, without amendments,  
10 Article – Local Government  
11 Section 1–1101 and 1–1102  
12 Annotated Code of Maryland  
13 (2013 Volume and 2019 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Local Government  
16 Section 1–1103 and 1–1104  
17 Annotated Code of Maryland  
18 (2013 Volume and 2019 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
20 That the Laws of Maryland read as follows:

21 **Article – Local Government**

22 1–1101.

23 (a) In this subtitle the following words have the meanings indicated.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(b) “Bond” means a bond, note, or other similar instrument that a county or municipality issues under this subtitle.

(c) “Chief executive” means the president, chair, mayor, county executive, or any other chief executive officer of a county or municipality.

(d) “Commercial property” means real property that is:

(1) not designed principally or intended for human habitation; or

(2) used for human habitation and is improved by more than four single family dwelling units.

(e) “Program” means a clean energy loan program established under this subtitle.

1–1102.

A county or municipality may enact an ordinance or a resolution to establish a clean energy loan program.

1–1103.

(a) The purpose of a program is to provide loans to:

(1) residential property owners, including low income residential property owners, to finance energy efficiency and renewable energy projects; and

(2) commercial property owners to finance:

(i) energy efficiency projects; [and]

(ii) renewable energy projects; AND

**(III) GRID RESILIENCE PROJECTS.**

(b) A private lender may provide capital for a loan provided to a commercial property owner under the program.

1–1104.

(a) An ordinance or resolution enacted under § 1–1102 of this subtitle shall provide for:

(1) eligibility requirements for participation in the program, including eligibility requirements for:

(i) energy efficiency improvements [and], renewable energy

1 devices, **AND GRID RESILIENCE MEASURES**; and

2 (ii) property and property owners; and

3 (2) loan terms and conditions.

4 (b) Eligibility requirements under subsection (a) of this section shall include a  
5 requirement that the county or municipality give due regard to the property owner's ability  
6 to repay a loan provided under the program, in a manner substantially similar to that  
7 required for a mortgage loan under §§ 12-127, 12-311, 12-409.1, 12-925, and 12-1029 of  
8 the Commercial Law Article.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
10 October 1, 2020.