

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 71 (Delegate Montgomery)
Environmental Matters

Condominiums - Solar Panels - Restrictive Covenants

This bill prohibits a recorded covenant or restriction, a provision in a declaration, or a provision in the bylaws or rules of a condominium from imposing, or acting to impose, unreasonable limitations upon the installation of solar collection panels on the roof or exterior walls of a condominium building.

Fiscal Summary

State Effect: The bill would not directly affect State finances or operations. If the Consumer Protection Division of the Attorney General's Office receives fewer than 50 complaints per year stemming from this bill, any additional workload could be handled with existing resources.

Local Effect: None.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: The bill permits restrictive covenants that impose limitations upon the installation of solar collection panels on condominium buildings that are historic properties listed by either the Maryland Inventory of Historic Properties or the Maryland Register of Historic Homes. Such restrictions may govern the size, color, and location of a solar panel in order to ensure an unobtrusive appearance, but may not prevent a panel's economical installation.

Current Law/Background: The State currently prohibits restrictive covenants that impose unreasonable limitations on the installation of solar panels of real property improvements; however, this statute appears only in the real property rules of construction. The bill explicitly extends the prohibition to condominiums, prohibiting not only restrictive covenants, but also provisions in a declaration and in condominium bylaws or rules.

Statutory language states that it is in the public interest to promote solar energy projects by providing State grants, loans, and other financial assistance. Currently, a number of State programs provide grants, credits, and incentives to encourage solar energy production and consumption. For example, the Department of Housing and Community Development is mandated by statute to provide grants and loans for the use of solar energy in commercial and residential buildings. The Maryland Energy Administration also provides grants to defray the cost of qualifying solar energy system installations.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Secretary of State, Department of Housing and Community Development, Office of the Attorney General (Consumer Protection Division), Department of Legislative Services

Fiscal Note History: First Reader - January 24, 2008
ncs/jr

Analysis by: Alexander M. Rzasa

Direct Inquiries to:
(410) 946-5510
(301) 970-5510