

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

House Bill 84 (Delegate Barve, *et al.*)
Environmental Matters

Homeowners Associations and Municipalities - Solar Collection Panels -
Regulation

This bill prohibits the legislative body of any incorporated municipality from passing an ordinance that imposes or acts to impose an unreasonable limitation on the installation of solar collection panels on the roof of a residence. The bill also prohibits, with respect to homeowners associations, a recorded covenant or restriction, a provision in a declaration, or a provision in association bylaws or rules that imposes or acts to impose an unreasonable limitation upon the installation of solar collection panels on the roof of a residence.

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 stemming from this bill, any additional workload could be handled with existing resources.

Local Effect: Potential minimal.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: The bill allows incorporated municipalities to pass ordinances that restrict the installation of solar panels on the roof of a residence that is a historic property

listed by the Maryland Inventory of Historic Properties or the Maryland Register of Historic Properties.

The bill permits a recorded covenant or restriction, a provision in a declaration, or a provision in the bylaws or rules of a homeowners association that imposes limited regulations governing the size and color of a solar collection panel as long as it does not prevent economical installation of the panel. Homeowners associations are permitted to restrict the installation of solar collection panels on the roof of a residence on historic property listed by the Maryland Inventory of Historic Properties or the Maryland Register of Historic Properties.

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 would restrict the ability of local municipalities to pass ordinances that restrict roof-top solar panel installation. The bill would also explicitly prohibit homeowners associations from placing unreasonable restrictions on economical solar panel installation.

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.

Local Fiscal Effect: Potential minimal effect, to the extent that incorporated municipalities may lose revenue from the collection of fines or fees associated with residential solar collection panel restrictions.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): 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