



## Senate Bill 173

### *Local Government – Clean Energy Loan Program – Commercial Property Owners – Renewable Energy Projects*

MACo Position: **SUPPORT**

To: Finance Committee

Date: January 27, 2016

From: Andrea E. Mansfield

The Maryland Association of Counties (MACo) **SUPPORTS** SB 173. This bill would expand commercial financing options available through clean energy loan programs by removing the limitation that commercial renewable energy projects generate no more than 100 kilowatts.

Clean energy loan programs, first authorized in 2009, create a significant opportunity for local governments to help commercial and residential property owners reduce carbon emissions and improve the environment. When originally enacted, statutory language limited financing for commercial property owners to renewable energy projects with an electric generating capacity of not more than 100 kilowatts. Now that renewable energy projects are becoming more common, this limitation on commercial renewable energy projects is prohibiting larger scale projects from being financed through the programs.

Maryland has set ambitious goals for reducing greenhouse gas emissions. Larger scale renewable energy projects financed through Clean Energy Loan Programs could help the state meet these goals. Removing the limitation on the electric generating capacity of renewable energy projects could also serve as an incentive for more local governments to establish clean energy loan programs.

MACo urges the Committee to give SB 173 a **FAVORABLE** report to further encourage a transition to clean energy.