



BILL NO.: House Bill 1014
TITLE: Clean Energy Loan Programs
POSITION: **SUPPORT WITH AMENDMENTS**
DATE: March 9, 2010
COMMITTEE: Economic Matters
CONTACT: Andrea Mansfield

The Maryland Association of Counties (MACo) **SUPPORTS** House Bill 1014 **WITH AMENDMENTS**. This bill builds upon legislation that passed last Session authorizing local governments to establish Clean Energy Loan Programs for assisting residential and commercial property owners with financing energy efficient and renewable energy projects. The bill specifies criteria that must be met before a loan can be made to a property owner and clarifies that a surcharge applied to the property owner's tax bill, including interest and penalty, constitutes a lien against the property.

MACo has worked closely with the sponsor and other interested parties developing legislation that provides protections for homeowners wanting to purchase energy improvements and to the local governments lending the money. HB 1014 is the product of these discussions. MACo believes this bill creates a significant opportunity for local governments to help residents reduce carbon emissions and improve the environment.

The initial costs of installing renewable energy equipment or improving energy efficiency can deter businesses and homeowners from making such changes. Clean energy loan programs offer homeowners long-term financing to keep improvement costs low while reaping the benefit of lower utility costs. Maryland is just one of many states that have enacted legislation providing such benefits to homeowners.

It was recently brought to MACo's attention that some local governments do not have the authority to establish revolving loan funds. This would prohibit a county from implementing a program as envisioned in HB 1014. Therefore, MACo suggests that the bill be amended to authorize local governments to establish a revolving loan fund for this purpose, regardless of other statutory or charter provisions. These technical amendments have already been submitted to the Committee.

For these reasons, MACo **SUPPORTS** HB 1014 **WITH AMENDMENTS** and urges the Committee to give the bill a **FAVORABLE** report.