

SENATE BILL 722

L6, M3

0lr3094

By: **Senators Hester, Elfreth, and Lam**

Introduced and read first time: February 3, 2020

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 4, 2020

CHAPTER _____

1 AN ACT concerning

2 **Clean Energy Loan Program – Environmental Remediation and Resiliency**
3 **Projects**

4 FOR the purpose of expanding the purpose of a certain clean energy loan program to include
5 providing loans to certain property owners to finance certain environmental
6 remediation projects and resiliency projects; adding certain environmental
7 remediation projects and resiliency projects to the list of items that require eligibility
8 requirements under a certain ordinance; clarifying that certain loan terms and
9 conditions required under a certain ordinance include a certain provision; making
10 stylistic changes; defining certain terms; and generally relating to a clean energy
11 loan program.

12 BY repealing and reenacting, with amendments,
13 Article – Local Government
14 Section 1–1101, ~~and~~ 1–1103, and 1–1104
15 Annotated Code of Maryland
16 (2013 Volume and 2019 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – Local Government
19 Section 1–1102
20 Annotated Code of Maryland
21 (2013 Volume and 2019 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3 **Article – Local Government**

4 1–1101.

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

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

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

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

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

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

14 **(E) (1) “ENVIRONMENTAL REMEDIATION PROJECT” MEANS A PROJECT**
15 **THAT IS INTENDED TO REMOVE ENVIRONMENTAL OR HEALTH HAZARDS.**

16 **(2) “ENVIRONMENTAL REMEDIATION PROJECT” INCLUDES:**

17 **(I) ASBESTOS REMEDIATION;**

18 **(II) LEAD PAINT REMOVAL; AND**

19 **(III) MOLD REMEDIATION.**

20 **[(e)] (F) “Program” means a clean energy loan program established under this**
21 **subtitle.**

22 **(G) (1) “RESILIENCY PROJECT” MEANS A PROJECT THAT INCREASES THE**
23 **CAPACITY OF A STRUCTURE OR INFRASTRUCTURE TO WITHSTAND NATURAL**
24 **DISASTERS AND THE EFFECTS OF CLIMATE CHANGE.**

25 **(2) “RESILIENCY PROJECT” INCLUDES:**

26 **(I) A FLOOD MITIGATION PROJECT;**

27 **(II) A STORMWATER MANAGEMENT PROJECT;**

1 (III) A PROJECT TO INCREASE FIRE OR WIND RESISTANCE;

2 (IV) A PROJECT TO INCREASE THE CAPACITY OF A NATURAL
3 SYSTEM; AND

4 (V) AN INUNDATION ADAPTATION PROJECT.

5 1–1102.

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

8 1–1103.

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

10 (1)] residential property owners, including low income residential property
11 owners, **AND COMMERCIAL PROPERTY OWNERS** to finance [energy efficiency and
12 renewable energy projects; and

13 (2) commercial property owners to finance]:

14 [(i)] (1) energy efficiency projects; [and]

15 (2) **ENVIRONMENTAL REMEDIATION PROJECTS;**

16 [(ii)] (3) renewable energy projects; AND

17 (4) **RESILIENCY PROJECTS.**

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

20 1–1104.

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

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

25 (i) energy efficiency improvements [and], renewable energy
26 devices, ENVIRONMENTAL REMEDIATION PROJECTS, AND RESILIENCY PROJECTS;
27 and

28 (ii) property and property owners; and

1 (2) loan terms and conditions, INCLUDING A PROVISION THAT
 2 REQUIRES THAT A LOAN BE REPAID OVER A TERM NOT TO EXCEED THE WEIGHTED
 3 AVERAGE OF THE USEFUL LIFE OF THE IMPROVEMENT OR PROJECT AS DETERMINED
 4 BY THE PROGRAM.

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

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

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.