

Gregory J. Swain, County Attorney

MEMORANDUM

To: Council Members, Anne Arundel County Council

From: Gregory J. Swain, County Attorney /s/

Via: Kelly Phillips Kenney, Supervising County Attorney /s/

Date: October 7, 2019

Subject: Bill No. 80-19 – Finance, Taxation and Budget – Real Property Taxes – Clean

Energy Loan Program

Legislative Summary

This summary was prepared by the Anne Arundel County Office of Law for use by members of the Anne Arundel County Council during consideration of Bill No. 80-19. The summary is intended to explain the purposes and legal effects of the bill.

Purpose.

Purpose and Background. The primary purpose of Bill No. 80-19 is to remove language from the current code provision pertaining to the Clean Energy Loan Program (the "Program") to make the law consistent with State law and to clarify an eligibility criteria.

A Clean Energy Loan is defined in § 4-2-401(a)(3) as "any loan made by a private lender to a property owner under the Clean Energy Program." Subsection (d) authorizes the County Executive to enter into an agreement with a private entity to administer the Program. Under § 4-2-401(e), commercial property owners are eligible to participate in the Program for loans greater than \$25,000 for a term of up to 20 years, if the eligibility criteria in subsection (f) are met. Subsection (g) sets forth the types of improvements that are eligible, including solar energy equipment, geothermal energy devices and wind energy systems.

In § **4-2-401(b)**, current language that requires that renewable energy projects have an "electric generating capacity of not more than 100 kilowatts" is removed. This requirement was removed from the State enabling law as of October 1, 2016. *See* Md. Code Ann., Local Gov't, § 1-1103; 2016 Laws of Maryland, Chapter 535.

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In subsection (f)(2), the word "energy" is removed, which broadens the scope of savings for a project.

The Office of Law is available to answer any additional questions regarding this Bill. Thank you very much.

cc: Steuart Pittman, County Executive
Jennifer Purcell, Chief of Staff
Benjamin J. Birge, Chief Administrative Officer
Peter Baron, Legislative Liaison
Jerry Walker, Director, Economic Development Corporation
Karin McQuade, Controller
Jim Beauchamp, Budget Officer