# HOUSE BILL 73<sup>1</sup>: PUBLIC UTILITIES; WRITTEN DISCLOSURE STATEMENT WITH ANY AGREEMENT FOR SALE OR FINANCING OF DISTRIBUTED ENERGY GENERATION SYSTEMS; PROVISIONS

## Amending O.C.G.A. § 46-3

First signature: Representative Joseph Gullett (19th)

**Co-Sponsors:** Representative Don Parsons (44<sup>th</sup>), Representative Mandisha Thomas (65<sup>th</sup>), Representative Victor Anderson (10<sup>th</sup>), Representative Steven Meeks of the (178<sup>th</sup>)

Summary: "A BILL to be entitled an Act To amend Chapter 3 of Title 46 of the Official Code of Georgia Annotated, relating to electrical service, so as to require that the seller provide a written disclosure statement with any agreement for the sale of distributed energy generation systems or for the financing of such systems through leases or solar energy procurement agreements; to provide for the delivery of such written disclosure statement; to provide for definitions; to require a certificate of authority as a prerequisite for sellers that are not electric suppliers that want to sell or lease to a retail customer a distributed energy generation system or enter into a solar energy procurement agreement with a retail customer; to provide the Public Service Commission with the authority to issue multiple certificates of authority; to provide for the. promulgation of rules and regulations and other requirements regarding applications for a certificate of authority; to provide for public hearings and decisions on applications; to provide for revocations, suspension, and other action on certificates of authority; to provide for appeals; to require that persons installing such systems be licensed; to require the Public Service Commission to develop a form for the written disclosure statement and a solar awareness presentation to be provided on its website; to provide for the imposition and collection of civil penalties; to provide for exceptions; to provide for related matters; to provide for an effective date and applicability; to repeal conflicting laws; and for other purposes."<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> H.B. 73, 157th Gen. Assemb., Reg. Sess. (Ga. 2023), available at

https://www.legis.ga.gov/api/legislation/document/20232024/216331 (last visited Oct. 1, 2023).

<sup>&</sup>lt;sup>2</sup> 2022-2023 Regular Session- H.B. 73, Public Utilities; Written Disclosure Statement with any Agreement for Sale or Financing of Distributed Energy Generation Systems;

*Provisions*, GA GEN. ASSEMB., https://www.legis.ga.gov/legislation/63634 (last visited Oct. 1, 2023) [hereinafter H.B. 73 Status Sheet].

Status: Senate Read and Referred.<sup>3</sup>

# TEXT OF HOUSE BILL 73<sup>4</sup>

## **SECTION 1.**

Chapter 3 of Title 46 of the Official Code of Georgia Annotated, relating to electrical service, is amended by adding a new article to read as follows:

#### "<u>ARTICLE 5</u>

46-3-600.

As used in this article, the term:

(1) 'Agreement' means a contract executed between a seller and:

(A) A buyer for the purchase of a distributed energy generation system; or

(B) A lessee for the financing of a distributed energy generation system either through a lease or a solar energy procurement agreement.

(2) 'Buyer' means a person that enters into an agreement to purchase a distributed energy generation system from a seller.

(3) 'Distributed energy generation system' means a device or system that: (A) Is used to generate or store electricity;

(B) Has an electric delivery capacity, individually or in connection with other similar devices or systems, of greater than one kilowatt or one kilowatt hour; and

(C) Is used primarily for on-site consumption.

Such term shall not include an electric generator intended for occasional use.

(4) 'Electric supplier' shall have the same meaning as provided in Code Section 46-3-3.

(5) 'Lessee' means a person that finances a distributed energy generation system either through a lease or a solar energy procurement agreement.
(6) 'Person' means an individual or entity.

<sup>&</sup>lt;sup>3</sup> *Id*.

<sup>&</sup>lt;sup>4</sup> H.B. 73, *supra* note 1.

(7) 'Seller' means a person engaged in, or whose business consists of, selling distributed energy generation systems or financing distributed energy generation systems through leases or solar energy procurement agreements.
(8) 'Solar energy procurement agreement' shall have the same meaning as provided in Code Section 46-3-62.

<u>46-3-601.</u>

(a) Every seller that is not an electric supplier shall, before selling, financing, or offering to sell or finance to any retail customer within this state any distributed energy generation system, and before proposing to enter with any retail customer within this state a solar energy procurement agreement, first obtain a certificate of authority from the commission.

(b) The commission shall have the authority to issue multiple certificates of authority. A showing of public convenience and necessity is not a condition for the issuance of a certificate of authority.

(c) A seller that seeks a certificate of authority shall make an application to the commission which contains the information required by this Code section.

(d) No later than December 31, 2023, the commission shall by rules and regulations describe the information to be included in an application for certification under this Code section and the criteria the commission will use in determining an applicant's financial and technical capability. Such criteria shall seek to ensure that all sellers:

(1) Require appropriate background checks of all employees or contractors who will work on a buyer's or prospective buyer's premises;

(2) Provide contact information that is reasonably accessible by the public;(3) Possess adequate capital and are financially viable; and

(4) Meet any other requirements as the commission may deem appropriate, without, however, imposing unnecessary barriers to a seller entering the market.

(e)(1) Upon the filing of a completed application, the commission shall have 60 days to issue an order approving or disproving of such application, except as provided in paragraph (2) of this subsection.

(2) Any complaint concerning an application or any request by the applicant for a public hearing on the application shall be filed within 30 days of the filing of the completed application. If such a complaint or request for hearing is filed, the commission shall, within 60 days of the filing of the complaint or request for hearing, hold a public hearing on such application. Within 30 days of such hearing, the commission shall issue an order approving or disapproving of the application. (f) Any certificate or authority issued by the commission is subject to revocation, suspension, or adjustment where the commission finds upon complaint and hearing that:

(1) A seller has failed repeatedly or has failed willfully to meet obligations to its retail customers which are imposed by this article, by any rules or regulations issued pursuant to this article, or by the seller's certificate of authority; or

(2) The activities of the seller are serving or could serve to mislead, deceive, or work a fraud upon members of the public.

(g)(1) The commission may deny an application upon a showing that the applicant or anyone acting in concert with the applicant has a history of violations of laws, rules, or regulations designed to protect the public. The applicant shall have 30 days from the denial of an application for certification to file an appeal with the commission. A public hearing shall be held within 60 days of the filing of such an appeal, and the commission shall issue its decision as to such appeal within 30 days of the date of the hearing.

(2) The commission may revoke any certificate of authority issued pursuant to this Code section where it finds that the seller or anyone acting in concert with the seller has such a history, that any information on the application was falsified or forged, that the seller has acted unlawfully to the detriment of the public while certificated, or for any other good and valid reason where activities of the seller are serving or could serve to mislead, deceive, or work a fraud upon members of the public.

(3) The commission shall be authorized to adopt rules and regulations to implement this subsection.

(h) Each seller shall be required to continue to possess the financial and technical capability to render service pursuant to the seller's warranties and other commitments made to buyers or lessees. This is a continuing obligation and may be reviewed by the commission at any time.

(i) Any person engaged in the installation of a distributed energy generation system shall be licensed pursuant to Chapter 41 of Title 43 as a general contractor or as a residential contractor or employ an individual who is licensed as an electrical contractor pursuant to Chapter 41 of Title 43.

(j) The installation of a distributed energy generation system shall comply with the provisions of the article and all applicable federal and state laws, rules, and regulations.

<u>46-3-602.</u>

(a) The seller shall provide to every buyer and lessee as part of any agreement a written disclosure statement. Such written disclosure statement shall be printed in at least 12 point type, be acknowledged by the buyer or lessee, and include the following information, disclosures, and guarantees, if applicable:

(1) The name, address, telephone number, and email address of the buyer or lessee;

(2) The name, address, telephone number, email address, and valid state contractor license number of the person responsible for installing the distributed energy generation system;

(3) The name, address, telephone number, email address, and valid state contractor license number of the distributed energy generation system maintenance provider, if different from the person responsible for installing the distributed energy generation system;

(4)(A) A disclosure notifying the buyer or lessee whether the distributed energy generation system is being purchased or being financed through a lease or a solar energy procurement agreement.

(B) If the distributed energy generation system is being purchased, the written disclosure statement shall include a disclosure in substantially the following form: 'You are entering into an agreement to purchase a distributed energy generation system. You will own (not lease) the system installed on your property.'

(C) If the distributed energy generation system is being financed through a lease, the written disclosure statement shall include a disclosure in substantially the following form: 'You are entering into an agreement to lease a distributed energy generation system. You will lease (not own) the system installed on your property.'

(D) If the distributed energy generation system is being financed through a solar energy procurement agreement, the written disclosure statement shall include a disclosure in substantially the following form: 'You are entering into an agreement to purchase power from a distributed energy generation system. You will not own the system installed on your property.';

(5) The total cost to be paid by the buyer or lessee, including, but not limited to, any interest, installation fees, document preparation fees, service fees, or other fees. Such total cost if the distributed energy generation system is financed through a solar energy procurement agreement shall include the initial payment rate and, if applicable, the rate of any payment increases and the date of the first increase;

(6) A payment schedule, including any amounts owed at the agreement signing, at the commencement of installation, and at the completion of installation and any final payments. If the distributed energy generation system is being financed through a lease, the written disclosure statement shall include the frequency and amount of each payment due under the lease and the total estimated lease payments over the term of the lease;

(7) A description of the assumptions used to calculate any savings estimates provided to the buyer or lessee and a statement in substantially the following form: 'It is important to understand that any representations as to savings based on future electric utility rates are

estimates only. Your future electric utility rates may vary.';

(8) A description of any one-time or recurring fees, including, but not limited to, estimated system removal fees, maintenance fees, internet connection fees, automated clearinghouse fees, and circumstances triggering late fees that may apply:

(9) A disclosure notifying the buyer or lessee as to whether the distributed energy generation system is being financed and whether the seller is assisting in arranging such financing. If the distributed energy generation system is being financed, the written disclosure statement shall include a statement in substantially the following form: 'Your system is financed. Carefully read any agreements, contracts, and disclosure forms provided by your lender. This written disclosure statement does not contain the terms of your financing agreement. If you have any questions about your financing agreement,

contact your finance provider before signing any agreement or contract.'; (10) A declaration providing notification of the number of days after the agreement is signed during which the buyer or lessee shall have the right to rescind such agreement. If the buyer or lessee does not have right to rescind the agreement, notification that such right does not exist and an explanation as to why it does not;

(11) A description of the distributed energy generation system's:

(A) Design assumptions, including the make and model of the major components, system size, estimated first-year energy production, and estimated annual energy production decreases, including the overall percentage degradation over the estimated life of the distributed energy generation system; and

(B) Excess energy utility compensation status at the time the agreement is signed; provided, however, that a seller that provides a warranty or guarantee of the energy production output of the distributed energy generation system may provide a description and copy of such warranty or guarantee in lieu of the description required under this paragraph;

(12) A description of any performance or production guarantees;

(13) A declaration notifying the buyer or lessee of each federal and state tax credit, rebate, or incentive, if any, relied upon by the seller in determining the price of the distributed energy generation system and any applicable

federal or state tax credit, rebate, or incentive for which the buyer or lessee may qualify that is known to the seller at the time the agreement is signed. Such declaration shall also disclose to the lessee whether financing a distributed energy generation system through a lease may affect qualification

for any such tax credit, rebate, or incentive. Such declaration shall recommend that the buyer or lessee seek professional tax advice to determine how any tax credits, rebates, incentives, or renewable energy certificates may apply to such buyer or lessee;

(14) A description of the ownership and transferability of any tax credits, rebates, incentives, or renewable energy certificates associated with the distributed energy generation system, including a disclosure as to whether the seller is able to and intends to assign or sell any associated renewable energy certificates to a third party;

(15) If the distributed energy generation system is being purchased, a disclosure notifying the buyer as to the potential for tax liability or tax credit eligibility by including a statement in substantially the following form: 'You are responsible for property taxes on property you own. Consult a tax professional to understand any tax liability or any tax credit eligibility that may result from the purchase or financing of a distributed energy generation system.';

(16) The estimated start and completion date for the installation of the distributed energy generation system;

(17) A declaration as to whether any maintenance and repairs of the distributed energy generation system are included in the purchase price or financing costs;

(18) A disclosure as to whether any warranty or maintenance obligations related to the distributed energy generation system may be assigned, sold, or transferred by the seller to a third party and, if so, a statement in substantially the following form: 'Your contract may be assigned, sold, or transferred without your consent to a third party who will be bound to all of the terms of the contract. If an assignment, sale, or transfer occurs, you will be notified if this will change the address or phone number to use for system maintenance or repair requests.';

(19) If the distributed energy generation system is being purchased, a disclosure notifying the buyer of the requirements for interconnecting the system to the utility system;

(20) A disclosure notifying the buyer or lessee of the party responsible for obtaining interconnection approval;

(21) A disclosure notifying the buyer or lessee whether any additional

622

equipment may be necessary in order to maintain continuous power access; (22) A description and copy of any roof warranties;

(23) A disclosure notifying the lessee whether the seller will insure a leased distributed energy generation system against damage or loss and, if applicable, a disclosure notifying the buyer or lessee the circumstances under which the seller will not insure the system against damage or loss, in substantially the following form: 'You are responsible for obtaining insurance policies or coverage for any loss of or damage to the system. Consult an insurance professional to understand how to protect against the risk of loss or damage

to the system.';

(24) A disclosure notifying the buyer or lessee whether the seller will place a lien on the buyer's or lessee's home or other property as a result of entering into an agreement for the purchase or financing of the distributed energy generation system;

(25) A disclosure notifying the buyer or lessee whether the seller will file a fixture filing or a financing statement pursuant to Article 9 of Title 11 on the distributed energy generation system;

(26) A disclosure identifying whether the agreement contains any restrictions on the buyer's or lessee's ability to modify or transfer ownership of a distributed energy generation system, including whether any such modification or transfer is subject to review or approval by a third party;

(27) If the distributed energy generation system is being financed through a lease or solar energy procurement agreement, a disclosure as to whether the lease or the solar energy procurement agreement may be transferred to a purchaser upon sale of the home or real property to which the system is affixed, and any conditions for such transfer;

(28) The address of and specific link to the commission's internet website where the solar awareness presentation required under Code Section 46-3-603 is available. The seller may also include the internet website address of or specific link to another consumer information video that it has produced or that is publicly available; and

(29) A blank section that allows the seller to provide additional relevant disclosures or explain disclosures made elsewhere in the written disclosure statement.

(b) The requirement to provide a written disclosure statement under subsection (a) of this Code section may be satisfied by the electronic delivery of such written disclosure statement if the intended recipient of the electronically delivered written disclosure statement affirmatively acknowledges its receipt. An electronic document satisfies the font and other formatting standards required for the written disclosure statement if the format and the relative size of characters of the electronic document are reasonably similar to those required in subsection (a) of this Code section or if the contents of such electronic document are otherwise displayed in a reasonably conspicuous manner.

46-3-603.

Prior to January 1, 2024, the commission shall:

(1) Publish on its internet website separate standard written disclosure statement forms that may be used to comply with the requirements of Code Section 46-3-602. Written disclosure statements provided in substantially the same configuration as the forms published by the commission or containing the information and disclosures required by Code Section 46-3-602 shall satisfy the disclosure requirements of this article; and

(2)(A) Develop and make available to the public on its website a solar awareness presentation.

(B) Such solar awareness presentation shall be prerecorded and shall include consumer information related to:

(i) Written disclosure statements and other requirements of this article;

(ii) The ongoing costs and maintenance associated with distributed energy generation systems; and

(iii) The current laws in this state relating to metering and connecting distributed energy generation systems to an electric supplier's distribution system.

(C) The commission shall consult with and solicit proposals from the solar industry when developing the solar awareness presentation.

(D) The commission may contract with or hire any experts, consultants, or other individuals as may be necessary to develop and publish the solar awareness presentation.

<u>46-3-604.</u>

(a) A person that willfully violates Code Section 46-3-601 or any rules and regulations promulgated thereunder or a seller that willfully:

(1) Fails to provide a written disclosure statement as required under Code Section 46-3-602; or

(2) Fails to provide a written disclosure statement that meets all of the applicable requirements of Code Section 46-3-602 shall be liable for a civil penalty for each violation, provided that the maximum civil penalty for violations associated with one distributed energy generation system

624

shall not exceed the amount provided for in the agreement as the purchase price if the distributed energy generation system is purchased or, if the agreement is for the financing of the distributed energy generation system, the maximum civil penalty shall not exceed the amount the financed distributed energy generation system would have cost the lessee to purchase at the time the agreement is signed.

(b) A civil penalty under subsection (a) of this Code section may be imposed by the commission only after notice and hearing. In determining the amount of the penalty, the commission shall consider the gravity and number of violations. The amount of such penalty may be collected by the commission in the manner provided in Code Section 9-11-69 for the enforcement of money judgments.

(c) The civil penalty provided for in this Code section shall be in addition to any criminal or civil penalties otherwise provided by law.

46-3-605.

The provisions of this article shall not apply to:

(1) A person acting through officers, employees, brokers, or agents that markets, sells, solicits, negotiates, or enters into an agreement for the purchase or financing of a distributed energy generation system as part of a transaction involving the sale or transfer of the real property on which the system is or will be affixed;

(2) A transaction involving the sale or transfer of the real property on which a distributed energy generation system is affixed;

(3) The sale or lease of a distributed energy generation system that will be installed on nonresidential real property; or

(4) A person, other than the seller, that installs a distributed energy generation system on residential property."

# 1. SECTION 2.

This Act shall become effective on July 1, 2023, and shall apply to contracts executed on or after January 1, 2024, for the purchase of a distributed energy generation system or for the financing of a distributed energy generation system either through a lease or a solar energy procurement agreement.

# 2. SECTION 3.

All laws and parts of laws in conflict with this Act are repealed

#### SPONSOR'S RATIONALE

In a 2022 presentation of House Bill 73 to the Energy, Utilities, & Telecommunications Solar Protection Subcommittee, Representative Joseph Gullett ("Representative Gullett") stated House Bill 73 will solve a "consumer protection issue" above all else.<sup>5</sup> The root of the idea started within another bill, House Bill 1494, also led by Representative Gullett, which would have required disclosures by the sellers of residential solar panels to consumers before the sale of the solar panels was final.<sup>6</sup> House Bill 73 will add to the previously proposed bill with more extensive disclosure requirements, and House Bill 73 also adds that all sellers must register with the Public Service Commission and be approved by it before installing any solar panels.<sup>7</sup> Representative Gullett elaborated that consumers are not used to purchasing the expensive and complex systems.<sup>8</sup> Representative Gullett also stated that House Bill 73 is just a "good first step" in pushing the "bad actors" out of the residential solar market in Georgia.<sup>9</sup>

House Bill 73 as intended could mitigate the bad actors in the distributed energy generation by requiring a written disclosure to be provided from the seller to the buyer in all transactions of a distributed energy generation system within the State of Georgia to receive a certificate of authority from the Public Service Commission before being able to sell distributed energy systems.<sup>10</sup> As Representative Gullett claimed at the Energy, Utilities & Telecommunications Committee, the Public Service Commission is ready and willing to accept the task of approving the certificate of authorities in order to avoid any delay or hardship to the solar industry in Georgia.<sup>11</sup> As an example, in the early 1980's, a homeowner was deceived into giving thousands of dollars to a person who was posing as a solar salesman in return for having solar panels installed on his roof, but the

<sup>&</sup>lt;sup>5</sup> Georgia House of Representatives, Energy, Utilities, & Telecommunications Solar Protection Subcommittee 03.08.22, YOUTUBE (Mar. 8, 2022),

https://www.youtube.com/watch?v=q3hGsSOrbRE&t=1454s.

<sup>&</sup>lt;sup>6</sup> H.B. 1494, 156th Gen. Assemb., Reg. Sess. (Ga. 2023),

https://www.legis.ga.gov/api/legislation/document/20212022/208199 (last visited Dec. 20, 2023).

<sup>&</sup>lt;sup>7</sup> H.B. 73, *supra* note 1.

<sup>&</sup>lt;sup>8</sup> Georgia House of Representatives, *supra* note 5.

<sup>&</sup>lt;sup>9</sup> Id.

<sup>&</sup>lt;sup>10</sup> Dunlap, *supra* note 21.

<sup>&</sup>lt;sup>11</sup> Georgia House of Representatives, Energy, Utilities, & Telecommunications 02.07.23 YOUTUBE (Feb. 7, 2023), https://www.youtube.com/watch?v=Hmtcrw46VMM&t=717s.

Spring 2025]

panels never showed up.<sup>12</sup> The imposter was criminally charged for the fraudulent scheme.<sup>13</sup> This type of behavior is nearly impossible with House Bill 73 because the sellers are required to register with the Public Service Commission, and they will conduct background checks on each company before allowing them to install solar panels on a home.<sup>14</sup>

Representative Gullett told the Energy, Utilities, & Telecommunications Solar Protection Subcommittee that his local Electric Membership Corporations shed light on the fact that consumers were complaining about not having reduced power bills after the installation of certain distributed energy systems, specifically solar panels.<sup>15</sup> Representative Martin Momtahan ("Representative Momtahan") of the 17<sup>th</sup> District, stated in the subcommittee meeting that the sellers of the distributed energy systems were "walking around with badges, basically impersonating these energy companies."<sup>16</sup> Because of this, consumers assumed the seller of the distributed energy systems were from the local electric memberships corporations; therefore, believing it to be a good investment for lowering their power bill.<sup>17</sup> Representative Gullett notes that "there are a lot of great companies who install these solar systems," "however there are occasionally a few bad actors."<sup>18</sup>

Representative Gullett notes that the Public Service Commission "already regulates energy and power," and the PSC is currently taking in complaints from consumers of distributed energy systems about the bad actors in the market.<sup>19</sup> Therefore, the sponsors of House Bill 73 believe the Public Service Commission is the appropriate organization to issue the certificate of authority to the sellers of distributed energy systems in Georgia.20

<sup>&</sup>lt;sup>12</sup> Freese v. State, 396 S.E.2d 922 (Ga. App. 1990).

 $<sup>^{13}</sup>$  Id

<sup>&</sup>lt;sup>14</sup> H.B. 73, *supra* note 1.

<sup>&</sup>lt;sup>15</sup> Georgia House of Representatives, Energy, Utilities, & Telecommunications Solar Protection Subcommittee & Full Committee 03.09.22, YOUTUBE (Mar. 9, 2022), https://www.youtube.com/watch?v=dbdaqIBQobw&t=985s.

<sup>&</sup>lt;sup>16</sup> *Id*.

<sup>&</sup>lt;sup>17</sup> Id. <sup>18</sup> Id.

<sup>&</sup>lt;sup>19</sup> Georgia House of Representatives, Session Day 25: 02.28.23 Part 1, YOUTUBE (Feb. 28, 2023), https://www.youtube.com/watch?v=y78rCO4UMPU.  $^{20}$  *Id.* 

#### **OPPOSITION'S RATIONALE**

Representative Ruwa Romman of the 97th District ("Representative Romman") prefaced the opposition with the fact that the consumers who are being "scammed" need to be protected, yet Representative Romman went on to oppose House Bill 73 by stating the Public Service Commission is not the correct organization to regulate this industry.<sup>21</sup> Representative Romman recommends House Bill 73 should instead direct the authority of regulation to the Secretary of State.<sup>22</sup> Her reasoning is that because the Secretary of State already controls the filing of annual corporate filings and grants professional licenses, there is no need for another department to be created within the Public Service Commission that will serve the same functions the Secretary of State already regulates.<sup>23</sup> In an interview, she states that House Bill 73 is legally sound, but the issue arises within its implementation and policy.<sup>24</sup> This is because House Bill 73 provides no funding mechanism to the Public Service Commission for which they can use to create a separate and distinct office for the oversight of the growing rooftop solar energy market.<sup>25</sup> Although it is estimated that only two additional employees will be needed to operate the solar oversight office within the Public Service Commission. the turnover rate during 2023 for the State of Georgia's employees is around twenty five percent.<sup>26</sup> During her opposition, Representative Romman says that the legislation will create "redundant offices [which] will further strain that system."27

Donald Moreland ("Moreland"), a member of the Georgia Solar Energy Association, stated at the Energy, Utilities, & Telecommunications Solar Protection Subcommittee that Representatives should carefully

<sup>23</sup> Telephone Interview with Ruwa Romman, Representative for the 97<sup>th</sup> District of Georgia, Georgia House of Representatives (Oct. 27, 2023); *Georgia Secretary of State*, Georgia.GOV, https://georgia.gov/organization/georgia-

<sup>&</sup>lt;sup>21</sup> Id.

<sup>&</sup>lt;sup>22</sup> Id.

secretarystate#:~:text=The%20Georgia%20Secretary%20of%20State,oversees%20the%20 state's%20securities'%20market (last visited Dec. 20, 2023).

<sup>&</sup>lt;sup>24</sup> Telephone Interview with Ruwa Romman, Representative for the 97<sup>th</sup> District of Georgia, Georgia House of Representatives (Oct. 27, 2023).

<sup>&</sup>lt;sup>25</sup> Id.

<sup>&</sup>lt;sup>26</sup> Telephone Interview with Ruwa Romman, Representative for the 97<sup>th</sup> District of Georgia, Georgia House of Representatives (Oct. 27, 2023); Danny Kanso, *Georgia Budget Trends Primer for State Fiscal Year 2024*, GPBI (Jun. 27, 2023), https://gbpi.org/georgia-budget-trends-primer-for-state-fiscal-year-2024/.

<sup>&</sup>lt;sup>27</sup> Georgia House of Representatives, *supra* note 12.

Spring 2025]

examine the impacts of House Bill 73.<sup>28</sup> Moreland does not want the onerous standards of House Bill 73, which is intended to remove bad actors, to instead inhibit the "upstanding, ethical companies" who have worked in the State of Georgia in the distributed energy market for many years.<sup>29</sup> Moreland simply stated that "the rooftop solar" market is still in its adolescence but "is growing;" however, this Bill should not create a barrier of entry into the market for future sellers.<sup>30</sup> Jonnell Carol Minefee ("Minefee"), managing partner at Solar Tyme USA, LLC, wants to work with House Bill 73 sponsors to put legislation out that does not hurt jobs or the good actors by restricting them to be regulated by the Public Service Commission, which compounds Moreland's point.<sup>31</sup>

#### IMPLICATIONS IN GEORGIA

Currently, Georgia has less than ten-thousand residential solar panels installed.<sup>32</sup> But according to Solar Industry Research Data, the solar market in the United States is forecasted to more than double the current amount of gigawatts-direct current over the next five years.<sup>33</sup> The growth stems from tax credit incentives for installing solar panels on a home.<sup>34</sup> The Federal Solar Investment Tax Credit allows qualified homeowners to receive up to a 30% credit for the costs of installation of their new solar panels.<sup>35</sup> For those unqualified for the Federal Solar Investment Tax Credit, Georgia offers a solar credit through the Georgia Environmental Finance Authority Solar Program of up to 50% of the homeowner's costs of installation.<sup>36</sup> With this forecasted growth, comes Representative Romman's concern of allowing an

<sup>&</sup>lt;sup>28</sup> Georgia House of Representatives, *supra* note 5.

<sup>&</sup>lt;sup>29</sup> Id.

<sup>&</sup>lt;sup>30</sup> *Id*.

<sup>&</sup>lt;sup>31</sup> Stanley Dunlap, *Solar Power Fans Pine for Sunnier Days After Georgia Law Makers Stalled Big Changes*, Chattanooga Times Free Press (Apr. 9, 2023, 7:26PM), https://www.timesfreepress.com/news/2023/apr/09/solar-power-fans-pine-for-sunnier-

attps://www.timestreepress.com/news/2023/apr/09/solar-power-fans-pine-for-sunnierdays-after/.

<sup>&</sup>lt;sup>32</sup> Faith Foushee, *Solar Panels in Georgia: Take Advantage of the Sun*, CNET (Jun. 13, 2023), https://www.cnet.com/home/energy-and-utilities/georgia-solar-panels/.

<sup>&</sup>lt;sup>33</sup> Solar Installations in 2023 Expected to Exceed 30GW for the First Time in History, SEIA (Sept. 7, 2023), https://www.seia.org/news/solar-installations-2023-expected-exceed-30-gw-first-time-history.

<sup>&</sup>lt;sup>34</sup> Sa'iyda Shabazz, *Georgia Solar Incentives, Tax Credits, Rebates and Solar Panel Cost Guide,* FORBES, https://www.forbes.com/home-improvement/solar/georgia-solar-incentives/ (last updated Sept. 8, 2023).

<sup>&</sup>lt;sup>35</sup> Id.

organization like the Public Service Commission render decisions on whether sellers can install distributed energy systems or not without creating a separate office which can in turn lead to strain on the already high turnover within the government.<sup>37</sup>

Representative Gullett stated that "over a dozen states have enacted similar disclosures for solar already," and that "we used Florida's bill as a basis for drafting this one."<sup>38</sup> Residential solar in Florida ranks third in the country according to Solar Energy Industries Association and is expected to continue growing over the next five years.<sup>39</sup> The Florida statute which House Bill 73 is modeled after became effective in January 2018.<sup>40</sup> Just two years after the Florida disclosure bill passed, its solar market had grown by fifty-seven percent.<sup>41</sup> However, with the growth in solar, the large electric companies are losing millions in the conversion to solar.<sup>42</sup> This could potentially lead to the big electric corporations lobbying the legislators to slow the growth of the solar market.<sup>43</sup>

### LEGISLATIVE GENEALOGY

House Bill 73 was entered into the House Hopper on January 24, 2023.<sup>44</sup> House first readers were on January 25, 2023.<sup>45</sup> House second readers were on January 26, 2023.<sup>46</sup> The House Committee favorably reported by substitute on February 8, 2023.<sup>47</sup> House withdrew and recommitted on February 15, 2023.<sup>48</sup> The House Committee favorably

<sup>&</sup>lt;sup>37</sup> Georgia House of Representatives, *supra* note 12.

<sup>&</sup>lt;sup>38</sup> Georgia House of Representatives, *supra* note 5.

<sup>&</sup>lt;sup>39</sup> *Florida Solar*, SEIA, https://www.seia.org/state-solar-policy/florida-solar (last visited Oct. 29, 2023).

 $<sup>^{40}</sup>$  Fla. Stat. Ann. Title XXXIII, § 520.20 (LEXIS through 2023 Reg. Sess. & the 2023 B Spec. Sess.).

<sup>&</sup>lt;sup>41</sup> See Mary Klas, *Revealed: the Florida power company pushing legislation to slow rooftop solar*, The Guardian (Dec. 1, 2021, 10:35AM),

https://www.theguardian.com/environment/2021/dec/20/revealed-the-florida-power-company-pushing-legislation-to-slow-rooftop-solar.

<sup>&</sup>lt;sup>42</sup> *Id.* 

<sup>&</sup>lt;sup>43</sup> *Id.* 

<sup>&</sup>lt;sup>44</sup> H.B. 73 Status Sheet, *supra* note 2.

<sup>&</sup>lt;sup>45</sup> Id.

<sup>&</sup>lt;sup>46</sup> Id.

<sup>&</sup>lt;sup>47</sup> Id.

<sup>&</sup>lt;sup>48</sup> Id.

reported by substitute on February 22, 2023.<sup>49</sup> House third readers were on February 28, 2023.<sup>50</sup> The House passed/adopted by substitute on February 28, 2023.<sup>51</sup> The Senate read and referred on March 1, 2023.<sup>52</sup>

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<sup>&</sup>lt;sup>49</sup> H.B. 73 Status Sheet, *supra* note 2.

<sup>&</sup>lt;sup>50</sup> Id.

<sup>&</sup>lt;sup>51</sup> Id.

<sup>&</sup>lt;sup>52</sup> Id.