

HOUSE No. 450

The Commonwealth of Massachusetts

PRESENTED BY:

Steven Owens and Mark D. Sylvia

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to protections for solar customers.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: | DATE ADDED: |
|----------------------------|-----------------------|------------------|
| <i>Steven Owens</i> | <i>29th Middlesex</i> | <i>1/17/2025</i> |
| <i>Dennis C. Gallagher</i> | <i>8th Plymouth</i> | <i>4/11/2025</i> |

HOUSE No. 450

By Representatives Owens of Watertown and Sylvia of Fairhaven, a petition (accompanied by bill, House, No. 450) of Steven Owens relative to protections for solar customers. Consumer Protection and Professional Licensure.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act relative to protections for solar customers.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1:

2 Section 2 of chapter 142A of the General Laws, as appearing in the 2022 Official Edition,
3 is hereby amended by inserting the following definitions:-

4 “Residential Solar electric system”, a system or facility for the generation of electricity
5 that (1) uses solar energy to generate electricity; (2) is located on the property of a customer of
6 an electric utility; (3) is connected on the customer’s side of the electricity meter; (4) provides
7 electricity primarily to offset customer load on that property; and (5) is primarily for personal,
8 family, or household purposes.

9 “Agreement”, a contract for the purchase of a residential solar electric system; a lease for
10 a third-party owned residential solar electric system; or a residential power purchase agreement.
11 An agreement under this Act is between a solar company and a consumer.

12 “Power Purchase Agreement”, a financial agreement where a solar company arranges for
13 the design, permitting, financing and installation of a solar electric system and sells the power
14 generated to the consumer.

15 “Solar Company” or "Solar Installation Company”, any form of business organization or
16 any other nongovernmental legal entity, including, without limitation, a corporation, partnership,
17 association, trust or unincorporated organization that engages in transactions directly with
18 residential consumers to sell and install Residential solar electric systems, or to install
19 Residential solar electric systems owned by third parties from whom consumers will lease
20 Residential solar electric systems or purchase electricity generated by such systems. An entity
21 that is a third-party owner of systems or a financier of such systems who does not sell or install
22 Residential solar electric systems are not considered solar companies under this Act. Individuals
23 who self-install a system are not considered solar companies under this Act.

24 “Salesperson”, a salesperson means an employee or independent contractor hired by a
25 licensed Solar Company and who solicits, sells, negotiates or executes agreements for Solar
26 Electric Systems. Salesperson does not include 1) An officer of record of a corporation licensed
27 pursuant to this chapter, or a manager, member, or officer of record of a limited liability
28 company; 2) A general partner listed on the license record of a partnership; 3) A person who
29 contacts the prospective buyer for the exclusive purpose of scheduling appointments for a
30 Salesperson; 4) Every person listed in the records of the Office of Consumer Affairs and
31 Business Regulation as then associated with a licensee; and 5) Persons or businesses who solely
32 provide referrals to a licensed Solar Company or contact information for licensed Solar
33 Companies.

34 “Consumer”, a natural person who seeks or acquires goods or services for personal,
35 family, or household use.

36 “Loan”, a credit offered or extended to a consumer primarily for personal, family, or
37 household purposes.

38 “Lease”, a contract, as understood under 12 CFR 1013.2, in the form of a bailment or
39 lease for the use of personal property by a natural person primarily for personal, family, or
40 household purposes, for a period exceeding four months and for a total contractual obligation not
41 exceeding the applicable threshold amount, whether or not the lessee has the option to purchase
42 or otherwise become the owner of the property at the expiration of the lease.

43 “Comparable equipment”, similar equipment to the proposed system design that
44 maintains at least the same kilowatt-AC and kilowatt DC system size.

45 SECTION 2: Applicability of Chapter.

46 Chapter 142A of the General Laws is hereby amended by inserting after Section 21 the
47 following section:

48 Section 22. Sections 23, 24, and 25 apply to each solar electric system agreement entered
49 into on or after 180 days after the enactment of this act. Sections 23, 24, and 25 of this chapter do
50 not apply to: the transfer of title or rental of real property on which a residential Solar Electric
51 System is or is expected to be located; A lender, governmental entity, or other third party that
52 enters into an agreement with a customer to finance a residential Solar Electric System but is not
53 a party to a system purchase agreement, Power Purchase Agreement, or lease agreement; An

54 Agreement for a Solar Electric Systems that is not for residential use; or An Agreement for a
55 Solar Electric System that is installed as a feature on new construction.

56 SECTION 3: Disclosures Required for Solar Electric Systems.

57 Chapter 142A of the General Laws is hereby amended by inserting after Section 22 the
58 following section:

59 Section 23. (a) Before entering into an agreement for a solar electric system with any
60 consumer, the solar company shall provide the consumer with a separate written disclosure form
61 of no more than four pages with font no smaller than 10-points. The Department of Energy
62 Resources and the Office of Consumer Affairs and Business Regulation shall develop the
63 consumer disclosure form required by this section through a process with input from Solar
64 Companies and the public. The Department of Energy Resources and the Office of Consumer
65 Affairs and Business Regulation may consider use of any existing disclosure forms for solar
66 transactions published by the state and any national standards regarding solar disclosure forms in
67 their development of the disclosure form required by this section. The disclosure form shall be
68 required for use with all new agreements that are entered into 180 days after the final disclosure
69 form is published by the Department of Energy Resources and the Office of Consumer Affairs
70 and Business Regulation.

71 This section does not apply to the following: (1) The transfer of title or rental of real
72 property on which a residential Solar Electric System is or is expected to be located; (2) A
73 lender, governmental entity, or other third party that enters into an agreement with a customer to
74 finance a residential Solar Electric System but is not a party to a system purchase agreement,
75 Power Purchase Agreement, or lease agreement; (3) An Agreement for a Solar Electric Systems

76 that is not for residential use; or (4) An Agreement for a Solar Electric System that is installed as
77 a feature on new construction.

78 (b) A disclosure form shall contain: (1) The name, address, telephone number, email
79 address, and state contractor license or registration number of the solar company; (2) The name,
80 address, telephone number, email address, and state contractor license or registration number of
81 the installer if different from the solar company; (3) The name, address, telephone number, email
82 address, and state contractor license or registration number of the system maintenance provider if
83 different from the solar company; (4) The payment schedule for upfront costs, including any
84 payments due at signing, commencement of installation, and completion of installation, if
85 applicable; (5) System design assumptions, including system size, estimated first year
86 production, estimated annual system production degradation, presence of energy storage, energy
87 storage capacity, and a description of the equipment needed to provide backup power. (6) A
88 disclosure notifying the consumer whether and to what extent system maintenance and repairs
89 are included in the agreement, and any system maintenance costs for which the consumer will be
90 responsible; (7) If applicable, a statement in close proximity to the description of the project that
91 must be separately acknowledged by the customer and reads: "I understand comparable
92 equipment may be installed but the proposed kilowatts-AC system size and kilowatts-DC system
93 size will not decrease"; (8) A disclosure describing warranties for the repair of any damage to the
94 consumer's residence in connection with the system installation or removal; (9) A description or
95 location in the agreement of any performance or production guarantees, if applicable; (10) A
96 brief description of the basis for any savings estimates that were provided to the purchaser, if
97 applicable. The description shall include, at a minimum, the applicable utility rates, assumptions
98 for increases to future electricity rates, and estimated system production and status of utility

99 compensation for excess energy generated by system at the time of contract signing; (11) A
100 disclosure concerning the retention of any renewable energy credits; and (12) A statement using
101 the following language: “The assumptions used to estimate savings such as utility rates may
102 change. There may be fees that cannot be offset with solar. Excess electricity sent back to the
103 grid may be credited at rates below what you pay for electricity. For further information
104 regarding rates, you may contact your local utility or the Department of Public Utilities. Tax and
105 other state and federal incentives are subject to change or termination by executive, legislative or
106 regulatory action, which may impact savings estimates. Please read your Contract carefully for
107 more details.”

108 (c) In the case of a lease for a solar system, the disclosure form required in subsection (b)
109 shall include: (1)The length of the lease; (2) Monthly payments for the first year of the lease;
110 (3)Total estimated lease payments over the term of the lease; (4) Any payment increases and the
111 timing of any such increase, if applicable; (5) The total number of lease payments; (6) Payment
112 due dates and the manner in which the consumer will receive invoices; (7) Any one-time or
113 recurring fees, including but not limited to the circumstances triggering any late fees, estimated
114 system removal fees, UCC notice removal and refiling fees, internet connection fees and
115 Automated Clearing House fees, if applicable; (8) A disclosure notifying the consumer whether
116 the lessor will be filing a fixture filing on the system; and (9) A disclosure describing the
117 transferability of the lease, and any conditions for lease transfers in connection with a consumer
118 selling their home;

119 (d) In the case of a Power Purchase Agreement, the disclosure form required in
120 subsection (b) shall include: (1) The length of the Power Purchase Agreement; (2) Rates for the
121 first year of the Power Purchase Agreement; (3) Any rate or payment increases and the timing of

122 any such increase, if applicable; (4) the total number of Power Purchase Agreement payments;
123 (5) Payment due dates and the manner in which the consumer will receive invoices; (6) Any one-
124 time or recurring fees, including but not limited to the circumstances triggering any late fees,
125 estimated system removal fees, UCC notice removal and refiling fees, internet connection fees
126 and Automated Clearing House fees, if applicable; (7) A disclosure notifying the purchaser if the
127 owner of the system will be filing a fixture filing on the system; and (8) A disclosure describing
128 the transferability of the system in connection with the consumer selling their home;

129 (e) In the case of a purchase of a solar electric system, the disclosure form required in
130 subsection (b) shall include: (1) Purchase price for the system; (2) Estimated start and
131 completion dates for installation; (3) A disclosure notifying the purchaser of the responsible
132 party or parties for obtaining interconnection approval; and (4) A statement using the following
133 language: “The federal tax credit for residential solar systems can only reduce your taxes and is
134 not refundable. Any unused tax credit can be carried forward to the following tax year for as long
135 as the federal tax credit under Sec. 25D is in effect. For more information, visit the Internal
136 Revenue Service (IRS) website.” and (4) Subsection (e) shall be updated to reflect any material
137 changes to federal tax policy related to refundability.

138 (f) The Department of Energy Resources and the Office of Consumer Affairs and
139 Business Regulation shall develop a consumer educational brochure that must be provided no
140 later than when the disclosure form required by this section is provided to the consumer. The
141 brochure may include, but is not limited to, information regarding solar photovoltaic technology,
142 solar compensation policies such as net metering, federal tax credits, questions to ask solar
143 companies, consumer rights, and sources of additional information that are available to assist
144 consumers.

145 SECTION 4: Contract Requirements for Residential Solar Electric Systems.

146 Chapter 142A of the General Laws is hereby amended by inserting after Section 23 the
147 following section:

148 Section 24. (a) Agreements shall adhere to the requirements set forth in section 2 of
149 chapter 142A of the General Laws and the additional contracting requirements in this section.

150 (b) This section does not apply to the following: (1) The transfer of title or rental of real
151 property on which a residential Solar Electric System is or is expected to be located; (2) A
152 lender, governmental entity, or other third party that enters into an agreement with a customer to
153 finance a residential Solar Electric System but is not a party to a system purchase agreement,
154 Power Purchase Agreement, or lease agreement; (3) An Agreement for a Solar Electric Systems
155 that is not for residential use; or (4) An Agreement for a Solar Electric System that is installed as
156 a feature on new construction.

157 (c) A solar company shall retain a copy of all signed agreements for a period of not less
158 than the duration of the agreement not less than four years after the date of consummation.

159 (d) A solar company must provide a physical or electronic copy of the signed agreement
160 to the consumer at the time the agreement is entered into, whichever format was used by the
161 consumer to sign the agreement.

162 (e) An agreement for the purchase of a Residential solar electric system shall be in
163 writing with font no smaller than 10-points. The agreement shall include the following terms: (1)
164 The name, license or registration number, address, telephone number, and email address of the
165 solar company; (2) the name, license or registration number, address, telephone number, and

166 email address of the installer, if different from the solar company; (3) If applicable, the name,
167 license or registration number, telephone number, and email address of the salesperson who
168 solicited or negotiated the agreement; (4) The purchase price for the system; (5) The payment
169 schedule for the system, if any; (6) A description of the project, including the system size
170 (expressed in kilowatts-DC and kilowatts-AC), the solar modules to be installed, the inverters to
171 be installed, the monitoring to be installed, and, if applicable, the energy storage system to be
172 installed; (7) If applicable, a statement in close proximity to the description of the project that
173 must be separately acknowledged by the customer and reads: "I understand comparable
174 equipment may be installed but the proposed kilowatts-AC system size and kilowatts-DC system
175 size will not decrease"; (8) Estimated start and completion dates for installation and a statement
176 in close proximity which reads; "The actual start and completion date depends on many factors
177 such as delays related to permitting and interconnection approvals which are controlled by your
178 local jurisdiction and local utility respectively." (9) An explanation of any warranties and
179 guarantees, including the transferability of any obligations; Which parties are responsible for
180 filing the interconnection application and permits;

181 (f) An agreement for the lease of a solar electric system shall be in writing with font no
182 smaller than 10-points. The agreement shall include the following terms: (1) The name, license
183 or registration number, address, telephone number, and email address of the lessor; (2) The
184 name, license or registration number, address, telephone number, and email address of the
185 installer, if different from the lessor; (3) If applicable, the name, telephone number, license or
186 registration number, and email address of the salesperson who solicited or negotiated the
187 agreement; (4) The total of payments under the lease; (5) The payment schedule for the leased
188 system, including the number, amount, and due dates or periods of payments; (6) A description

189 of the project, including the system size (expressed in kilowatts-DC), the solar modules to be
190 installed, the inverters to be installed, and, if applicable, the energy storage system to be
191 installed; (7) Estimated start and completion dates for installation and a statement in close
192 proximity which reads: “The actual start and completion date depends on many factors such as
193 delays related to permitting and interconnection approvals which are controlled by your local
194 jurisdiction and local utility respectively.” (8) An explanation of any warranties and guarantees,
195 including the transferability of any obligations; (9) A description of any maintenance and repair
196 responsibilities for each party; (10) A description of whether the consumer has the right to
197 purchase the leased system either during the lease term or at the term of the lease and the
198 purchase price; (11) A description of the options to transfer the lease to third-parties and the
199 conditions for the transfer; (12) Which parties are responsible for filing interconnection
200 application and permits; and (13) A description of any security interest filed against the system,
201 including Uniform Commercial Code-1 filings;

202 (g) A Power Purchase Agreement shall be in writing with font no smaller than 10-points.
203 The agreement shall include the following terms: (1) the name, license or registration number,
204 address, telephone number, and email address of the solar company; (2) The name, license or
205 registration number, address, telephone number, and email address of the solar installation
206 company, if different from the company who sells a Power Purchase Agreement; (3) If
207 applicable, the name, telephone number, license or registration number, and email address of the
208 salesperson who solicited or negotiated the agreement; (4) The payment schedule for the sale of
209 output of the solar electric system, including the number, amount, and due dates or periods of
210 payments; (5) A description of the project, including the system size (expressed in kilowatts-DC
211 and kilowatts-AC), the solar modules to be installed, the inverters to be installed, the monitoring

212 to be installed and, if applicable, the energy storage system to be installed; (6) Estimated start
213 and completion dates for installation and a statement in close proximity which reads; “The actual
214 start and completion date depends on many factors such as delays related to permitting and
215 interconnection approvals which are controlled by your local jurisdiction and local utility
216 respectively.”; (7) An explanation of any warranties and guarantees, including the transferability
217 of any obligations; (8) A description of any maintenance and repair responsibilities for each
218 party; (9) A description of whether the consumer has the right to purchase the system either
219 during the term of the Power Purchase Agreement or at term of the Power Purchase Agreement
220 and the purchase price; (10) A description of the options for the consumer to transfer the contract
221 to third parties and the conditions for the transfer; (11) Which parties are responsible for filing
222 interconnection application and permits; and (12) A description of any security interest filed
223 against the system, including Uniform Commercial Code-1 filings.

224 (h) In connection with any sale of a Solar Electric System, the consumer shall have at
225 least five business days after the date of the transaction and receipt of the signed agreement to
226 cancel the agreement without any financial penalty. The seller shall verbally explain to the
227 consumer their right to rescind the agreement without penalty upon the consumer signing the
228 agreement.

229 Agreements must include a notice in immediate proximity to the signature line, in bold
230 face font and in substantially the following form: “You, the buyer, may cancel this transaction at
231 any time prior to midnight of the fifth day after the date of this transaction. See the attached
232 notice of cancellation form for an explanation of this right.”

233 The agreement shall include copies of a cancellation form in substantially the form set
234 forth in 16 CFR 429 et seq.

235 Duplicate requirements can be met by providing a signed copy of the notification form
236 Compliance with 16 CFR 429 et seq. shall constitute compliance with the notification
237 requirements of this section.

238 SECTION 5: Salespersons for Residential Solar Electric Systems

239 Chapter 142A of the General Laws is hereby amended by inserting after Section 24 the
240 following section:

241 Section 25. (a) An independent contractor may be retained as a Salesperson by one, or
242 more than one, licensed solar company.

243 (b) A Salesperson may be employed by one, or more than one, licensed solar company.

244 (c) Prior to engaging in any sales or marketing of a Solar Electric System, a Salesperson
245 shall state the name of the solar company that they are selling on behalf of and the purpose of the
246 engagement. Salespersons must wear an identification badge with their name, photo, company
247 name, company license number, and salesperson registration number.

248 (d) In the absence of a state or local government ordinance, Salespersons shall not visit
249 any residence to conduct sales except between the hours of 9:00 a.m. and 8:00 p.m.

250 (e) Notwithstanding Subsection (25(c)), nothing shall prevent a consumer from
251 scheduling an in person meeting time with a Salesperson between the hours of 8:00 p.m. and
252 9:00 a.m.

253 (f) Salespersons are prohibited from wearing apparel, carrying equipment, or distributing
254 materials that include the logo or emblem of an electric distribution company, or using any
255 language suggesting a relationship with an electric distribution company or government agency
256 where no actual relationship exists.

257 (g) All salespersons selling residential solar electric systems shall register with the Office
258 of Consumer Affairs and Business Regulation.