HOMEOWNERS' ENERGY POLICY ACT

Act 68 of 2024

AN ACT to invalidate certain provisions in homeowners' association agreements that prohibit the replacement, maintenance, installation, or operation of certain energy-saving improvements or modifications or the installation of solar energy systems; to provide for the adoption of certain policy statements; to prescribe penalties and remedies; and to provide for the powers and duties of certain state and local governmental officers and entities.

History: 2024, Act 68, Eff. Apr. 2, 2025
Compiler's Notes: Enacting section 1 of Act 68 of 2024 provides:"Enacting section 1. The legislature recognizes that the replacement, maintenance, installation, or operation of an energy-saving improvement or modification or the installation of a solar energy system is an effective means for a member of a homeowners' association to manage the member's energy budget and increase energy resiliency."

The People of the State of Michigan enact:

559.301 Short title.

Sec. 1.

This act may be cited as the "homeowners' energy policy act".

History: 2024, Act 68, Eff. Apr. 2, 2025

559.303 Definitions.

Sec. 3.

As used in this act:

(a) "Common area" means a portion of a building, land, or amenities owned or managed by the homeowners' association that is generally accessible to all members of the association. Common area includes, but is not limited to, a hallway, a stairway, an elevator, a lobby, a laundry and recreational room, a playground, a community center, a garage, a public green space, a park, or a fitness room.

(b) "Electric vehicle supply equipment" means a machine or other device located within this state that is supplied with electricity and designed or used for placing or delivering electricity into the battery storage system of a motor vehicle.

(c) "Energy-saving improvement or modification" includes, but is not limited to, all of the following:

(i) A clothesline.

(ii) Air source heat pumps.

(iii) Ground source heat pumps.

(iv) Insulation.

(v) Rain barrels.

(vi) Reflective roofing.

(vii) Energy efficient appliances.

(viii) Solar water heaters.

(ix) Electric vehicle supply equipment.

(x) Energy-efficient windows.

(xi) Energy-efficient insulation materials.

(d) "Local unit of government" means a county, township, city, or village.

(e) "Member" means an owner of a home or unit that is within the jurisdiction of the homeowners' association.

(f) "Policy" means the written solar energy policy statement described under section 9(1).

(g) "Shared roof" means a roof that serves more than 1 home or unit, including, but not limited to, a contiguous roof that serves adjacent homes or units.

(h) "Solar collector" means any of the following:

(i) An assembly, a structure, or a design, including passive elements, used for gathering, concentrating, or absorbing direct and indirect solar energy, or specially designed for holding a substantial amount of useful thermal energy, that transfers that energy to gas, solid, or liquid or uses that energy directly.

(ii) A mechanism that absorbs solar energy and converts it into electricity.

(iii) A mechanism or process used for gathering solar energy through wind or thermal gradients.

(iv) A component used to transfer thermal energy to a gas, solid, or liquid or convert thermal energy into electricity.

(i) "Solar energy" means radiant energy received from the sun at a wavelength that is suitable for heat transfer, photosynthetic use, or photovoltaic use.

(j) "Solar energy system" means a complete assembly, structure, or design of a solar collector, or a solar storage mechanism that uses solar energy for generating electricity or heating or cooling gases, solids, liquids, or other materials. Solar energy system includes the design, materials, or elements of a solar energy system and its maintenance, operation, labor components, and the necessary components, if any, of supplemental conventional energy systems designed or constructed to interface with a solar energy system.

(k) "Solar storage mechanism" means equipment or elements including, but not limited to, piping and transfer mechanisms, containers, heat exchangers, batteries, or gases, solids, or liquids, or a combination of gases, solids, and liquids, that are used for storing solar energy gathered by a solar collector for subsequent use.

History: 2024, Act 68, Eff. Apr. 2, 2025

559.305 Homeowners' association agreements; invalid and unenforceable provisions; local unit of government; permissible requirements.

Sec. 5.

(1) Any of the following in a homeowners' association agreement is invalid and unenforceable as contrary to public policy:

(a) A provision that prohibits, or requires the approval of a homeowners' association for, a member to replace, maintain, install, or operate an energy-saving improvement or modification.

(b) A provision that compels, or requires association approval for, a member to make auxiliary changes needed for the installation of an energy-saving improvement or modification.

(2) A local unit of government shall not require a member to obtain the approval of a homeowners' association to do any of the following:

(a) Replace, maintain, install, or operate an energy-saving improvement or modification.

(b) Make auxiliary changes needed for the installation of an energy-saving improvement or modification.

(3) Subject to subsection (2), this act does not prohibit a local unit of government from imposing requirements that may prohibit or limit the replacement, maintenance, installation, or operation of an energy-saving improvement or modification or making of auxiliary changes needed for the installation of an energy-saving improvement or modification by a member.

History: 2024, Act 68, Eff. Apr. 2, 2025

559.307 Prohibition on the installation of a solar energy system; invalid and unenforceable.

Sec. 7.

A provision in a homeowners' association agreement or the policy adopted under section 9(1) that prohibits or has the effect of prohibiting the installation of a solar energy system is invalid and unenforceable as contrary to public policy.

History: 2024, Act 68, Eff. Apr. 2, 2025

559.309 Adoption of written solar energy policy statement; content requirements and restrictions; homeowners' association duties.

Sec. 9.

(1) Within 1 year after the effective date of this act, each homeowners' association in this state shall adopt a written solar energy policy statement. A policy adopted under this subsection must not conflict with an existing local, state, or federal law. All of the following apply to a policy adopted in accordance with this subsection:

(a) The policy must include the standards established under this act to be enforced by the homeowners' association.

(b) The policy may not prohibit elements of the solar energy system from being installed on a roof face.

(c) The policy may not require that a specific technology be utilized for the installation of a solar energy system, including, but not limited to, solar shingles rather than traditional solar panels.

(d) Any standards enforced under the policy may not result in a reduction in the production of electricity by the solar energy system by more than 10% or increase the total cost of the installation of the solar energy system to the member by more than $1,000.00. As used in this subdivision, "production" means the estimated annual electrical production of the solar energy system.

(e) The policy must not include a provision that contradicts this act.

(f) The policy must include the following statements:

(i) That the approval of an adjacent home or unit owner is not required to approve a member's application to install a solar energy system on the member's home or unit.

(ii) That the homeowners' association will not do any of the following:

(A) Inquire into a member's energy usage.

(B) Impose conditions that impair the operation of a solar energy system.

(C) Impose conditions that negatively impact any component industry standard warranty.

(D) Require postinstallation reporting.

(E) Require a fee for submitting an application to install a solar energy system above that which it assesses for other applications related to a change to the property.

(F) Prohibit a member from resubmitting a written application to install a solar energy system after a written application submitted after the effective date of this act was denied by the homeowners' association.

(iii) That the homeowners' association will not deny a member's application to install a solar energy system because of the identity of the entity that owns the solar energy system or financing method chosen by the member.

(iv) That a homeowners' association may deny an application to install a solar energy system or require the removal of a solar energy system if 1 or more of the following apply:

(A) A court has found that the installation of the solar energy system violates a law.

(B) The installed solar energy system does not substantially conform with the member's application to install the solar energy system as approved by the homeowners' association.

(C) The homeowners' association has determined that the solar energy system will be installed on the roof of a home or unit of the member requesting installation and 1 or more of the following apply:

(I) The solar energy system will extend above or beyond the roof of that home or unit by more than 6 inches.

(II) The solar energy system does not conform to the slope of the roof and has a top edge that is not parallel to the roof line.

(III) The solar energy system has a frame, support bracket, or visible conduit or wiring that is not silver, bronze, or black tone that are commonly available in the marketplace.

(D) The homeowners' association has determined that both of the following apply:

(I) The solar energy system will be installed in a fenced yard or patio rather than on the roof of a home or unit.

(II) The solar energy system will be taller than the fence line.

(v) That a member shall comply with state and local building codes and permit requirements in the replacement, maintenance, installation, or operation of an energy-saving improvement or modification or the installation of a solar energy system.

(vi) That both of the following apply:

(A) A member who wants to install a solar energy system in the member's home or unit shall comply with the application requirements under section 11(1).

(B) A member may resubmit a written application to install a solar energy system in accordance with section 11(4).

(g) The policy may impose reasonable conditions concerning the maintenance, repair, replacement, or removal of a damaged or inoperable solar energy system provided that the conditions are not more burdensome than the conditions imposed on nonsolar energy projects.

(2) A homeowners' association shall do both of the following:

(a) Make a copy of the policy available to a member within 30 days after the adoption of the policy, or on request.

(b) If the homeowners' association maintains an internet website, post a copy of the policy on its website.

(3) Any provision in a policy that conflicts with this act is void and unenforceable.

History: 2024, Act 68, Eff. Apr. 2, 2025

559.311 Application for installation of solar energy system; contents; approval; failure to adopt policy or approve application; resubmission.

Sec. 11.

(1) Beginning on the effective date of this act, a member who wants to install a solar energy system in the member's home or unit shall submit a written application to the homeowners' association. The written application required under this subsection must include all of the following information:

(a) The member's name.

(b) The street address of the location where the solar energy system will be installed.

(c) The name and contact information of the person that will install the solar energy system.

(d) An image that shows the layout of the solar energy system on the member's home or unit.

(e) A description of the solar energy system to be installed.

(2) Except as otherwise provided in this subsection and in accordance with its policy, a homeowners' association must approve or deny the member's request to install a solar energy system within 30 days after receipt of the written application. If the written application is submitted before the homeowners' association adopts the policy described under section 9(1), the homeowners' association must approve or deny the member's request to install the solar energy system within 120 days after receipt of the written application.

(3) If a homeowners' association fails to adopt the policy within the time period specified under section 9(1) or approve or deny the member's request to install the solar energy system within the time period specified under subsection (2), a member may proceed with the installation of the solar energy system. If the member proceeds with the installation of the solar energy system, the homeowners' association shall not impose fines or otherwise penalize the member for complying with this act.

(4) A member may resubmit a written application to install a solar energy system that was submitted to and denied by the homeowners' association before the effective date of this act. On receipt of the resubmitted written application, the homeowners' association shall reevaluate the application under this act.

History: 2024, Act 68, Eff. Apr. 2, 2025

559.313 Applicability of act.

Sec. 13.

This act does not apply to either of the following in a common area or on a shared roof:

(a) The replacement, maintenance, installation, or operation of an energy-saving improvement or modification.

(b) The installation of a solar energy system.

History: 2024, Act 68, Eff. Apr. 2, 2025

559.315 Violation of act; civil action.

Sec. 15.

If a homeowners' association violates this act, a member may bring a civil action against the homeowners' association for damages. If the member prevails in an action brought under this act, the court may award reasonable attorney fees and the costs incurred in bringing the action.

History: 2024, Act 68, Eff. Apr. 2, 2025

559.317 Severability.

Sec. 17.

If any provision of this act or its application to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of this act that can be given effect without the invalid provision or application, and, to this end, the provisions of this act are severable.

History: 2024, Act 68, Eff. Apr. 2, 2025