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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

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A N A C T

RELATING TO BUSINESSES AND PROFESSIONS -- RESIDENTIAL SOLAR ENERGY
DISCLOSURE AND HOMEOWNERS BILL OF RIGHTS ACT

Introduced By: Senators Vargas, Valverde, Zurier, Urso, and DiPalma

Date Introduced: March 04, 2026

Referred To: Senate Commerce

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 5-93-2, 5-93-8 and 5-93-9 of the General Laws in Chapter 5-93
2 entitled "Residential Solar Energy Disclosure and Homeowners Bill of Rights Act" are hereby
3 amended to read as follows:

4 **5-93-2. Definitions.**

5 As used in this chapter:

6 (1) "Catastrophic loss" means damage to a residential property that renders the structure
7 uninhabitable and requires full reconstruction or replacement.

8 ~~(1)~~(2) "Customer" means a person who, for primarily personal, family, or household
9 purposes:

10 (i) Purchases a residential solar energy system under a system purchase agreement;

11 (ii) Leases a residential solar energy system under a system lease agreement; or

12 (iii) Purchases electricity under a power purchase agreement.

13 ~~(2)~~(3) "Department" means the department of business regulation.

14 ~~(3)~~(4) "Lease" means to transfer the right to possession and use of a residential solar energy
15 system for a term to a customer on behalf of a solar retailer in return for monetary payment or
16 consideration.

17 ~~(4)~~(5) "Power purchase agreement" means an agreement:

18 (i) Between a customer and a solar retailer;

1 (ii) For the customer’s purchase of electricity generated by a residential solar energy system
2 owned by the solar retailer; and

3 (iii) That provides for the customer to make payments over a term of at least five (5) years.

4 ~~(5)~~(6) “Residential solar energy system” means a solar energy system that:

5 (i) Is installed in the state;

6 (ii) Generates electricity primarily for on-site consumption for personal, family, or
7 household purposes;

8 (iii) Is situated on no more than four (4) units of residential real property;

9 (iv) Has an electricity delivery capacity that exceeds one kilowatt; and

10 (v) Does not include a generator that:

11 (A) Produces electricity; and

12 (B) Is intended for occasional use.

13 ~~(6)~~(7) “Sell” means to transfer a residential solar energy system to a customer on behalf of
14 a solar retailer in return for monetary payment or other consideration.

15 ~~(7)~~(8) “Solar agreement” means a system purchase agreement, a system lease agreement,
16 or a power purchase agreement.

17 ~~(8)~~(9) “Solar energy system” means a system or configuration of solar energy devices that
18 collects and uses solar energy to generate electricity.

19 ~~(9)~~(10) “Solar retailer” means a person who:

20 (i) Sells or proposes to sell a residential solar energy system to a customer under a system
21 purchase agreement;

22 (ii) Owns the residential solar energy system that is the subject of a system lease agreement
23 or proposed system lease agreement; or

24 (iii) Sells or proposes to sell electricity to a customer under a power purchase agreement.

25 ~~(10)~~(11) “Solicit” means offering or attempting to sell or lease a residential solar energy
26 system to a person or requesting, urging, or attempting to persuade a person to purchase, lease, or
27 apply for a particular kind of solar system from a particular solar retailer.

28 ~~(11)~~(12) “System lease agreement” means an agreement:

29 (i) Under which a customer leases a residential solar energy system from a solar retailer;
30 and

31 (ii) That provides for the customer to make payments over a term of at least five (5) years
32 for the lease of the residential solar energy system.

33 ~~(12)~~(13) “System purchase agreement” means an agreement under which a customer
34 purchases a residential solar energy system from a solar retailer.

1 **5-93-8. Standard form addendum for system lease agreement.**

2 (a) The standard disclosure form shall include an addendum that applies if a solar retailer
3 is proposing to enter into a system lease agreement with a potential customer. The standard
4 disclosure form will include details about the lease price and its associated escalator, if any.

5 **(b) Provided that, in the event of a catastrophic loss, the customer shall be discharged from**
6 **their responsibility to make payment on the first lease payment installment date that follows the**
7 **date of the catastrophic loss. This section shall not be construed to discharge the customer from**
8 **making the total number of payments agreed to in the system lease agreement.**

9 **(c) Pursuant to subsection (b) of this section the standard disclosure form shall include**
10 **provisions informing the customer of the necessary procedure to temporarily suspend a lease**
11 **payment in the event of a catastrophic loss, and that such a temporary suspension will result in an**
12 **updated lease payment schedule, which will be provided to the customer by the solar retailer.**

13 **(1) A customer shall provide the solar retailer with reasonable documentation of the**
14 **property's destruction including, but not limited to, an insurance claim or fire department report in**
15 **order to qualify for a temporary suspension of a lease payment as a result of catastrophic loss.**

16 **(d) Subsections (b) and (c) of this section shall apply only to system lease agreements**
17 **entered into after the effective date of this section.**

18 **5-93-9. Standard disclosure form addendum for system purchase agreement.**

19 The standard disclosure form shall include an addendum that applies if a solar retailer is
20 proposing to enter into a system purchase agreement with a potential customer. The system
21 purchase addendum shall include:

22 (1) The following statement: “You are entering into an agreement to purchase an energy
23 generation system. You will own the system installed on your property. You may be entitled to
24 federal tax credits because of the purchase. You should consult your tax advisor”;

25 (2) A field for the price quoted to the potential customer for a cash purchase of the system;

26 (3) Fields requiring:

27 (i) The schedule of required and anticipated payments from the customer to the solar
28 retailer and third parties over the term of the system purchase agreement, including application
29 fees, up-front charges, down payment, scheduled payments under the system purchase agreement,
30 payments at the end of the term of the system purchase agreement, payments for any operations or
31 maintenance contract offered by or through the solar retailer in connection with the system purchase
32 agreement, and payments for replacement of system components likely to require replacement
33 before the end of the useful life of the system as a whole; and the total of all payments referred to
34 in this subsection;

1 (ii) An itemized description of all additional fees or charges;
2 (4) A statement indicating that the cost of insuring the system is not included within the
3 schedule of payments under subsection (3);

4 (5) A field to indicate whether the customer is responsible for insurance coverage. The
5 field shall be accompanied by the statement: "If so indicated above, you are responsible for
6 obtaining insurance coverage for any loss or damage to the system. You should consult an insurance
7 professional to understand how to protect against the risk of loss or damage to the system. You
8 should also consult your home insurer about the potential impact of installing a system.";

9 (i) Provided that, in the event of a catastrophic loss, the customer shall be discharged from
10 their responsibility to make payment on the first lease payment installment date that follows the
11 date of the catastrophic loss. This section shall not be construed to discharge the customer from
12 making the total number of payments agreed to in the system lease agreement.

13 (ii) Pursuant to subsection (i) of this section the standard disclosure form shall include
14 provisions informing the customer of the necessary procedure to temporarily suspend a lease
15 payment in the event of a catastrophic loss, and that such a temporary suspension will result in an
16 updated lease payment schedule, which will be provided to the customer by the solar retailer.

17 (A) A customer shall provide the solar retailer with reasonable documentation of the
18 property's destruction including, but not limited to, an insurance claim or fire department report in
19 order to qualify for a temporary suspension of a lease payment as a result of catastrophic loss.

20 (6) Fields requiring information about whether the system may be transferred to a purchaser
21 of the home or real property where the system is located and any conditions for a transfer; ~~and~~

22 (7) A field requiring a detailed comparison of the costs of purchasing as compared to
23 leasing the system-; and

24 (8) Subsections (5)(i) and (5)(ii) of this section shall apply only to system purchase
25 agreements entered into after the effective date of this section.

26 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO BUSINESSES AND PROFESSIONS -- RESIDENTIAL SOLAR ENERGY
DISCLOSURE AND HOMEOWNERS BILL OF RIGHTS ACT

1 This act would define a "catastrophic loss" to a residential property. It would allow a
2 customer to be discharged from making the first payment following the date of a catastrophic loss.
3 The solar customer would be required to provide the retailer with documentation of the loss in order
4 to qualify for a temporary suspension of payments.

5 This act would take effect upon passage.

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