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Rooftop Rules: The Residential Solar Law Review – August 2026

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As the residential solar industry continues to evolve, staying ahead of legislative and regulatory changes has never been more important. We're pleased to introduce ***Rooftop Rules: The Residential Solar Law Review***, a resource designed to keep you informed of the latest state and federal developments that may impact your existing residential solar agreements and business operations.

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ARIZONA

Arizona's Senate Bill 1419, effective June 19, 2026, gives homeowners stronger protections when buying, leasing, or installing a distributed energy generation system or battery energy storage system. At its core, the legislation ensures that customers have more information before they sign a consumer agreement, covering everything from total system costs and savings estimates to roof condition risks and warranty terms. Contractors who fall short of the new standards face disciplinary action under Arizona's contractor licensing framework and potential invalidation of the underlying contract.

Of particular importance, the legislation requires that all contracts related to the sale, lease, or installation of a distributed energy generation system or battery energy storage system must clearly display in **bold type** all warranties, pricing, and payment schedules for purchased systems and their major components, including panels, inverters, racking, and battery storage, which the consumer must acknowledge by initialing next to such disclosures within the contract. Any savings estimates presented at signing must be accompanied by a written explanation of the contractor's methodology for calculating those savings, including the applicable utility rates used, any assumed future electricity rate increases, the system's estimated production, and the current status of utility compensation for exported energy. The total purchase price, fees, and payment schedules must be set forth in bold type and separately acknowledged and initialed. The law requires a disclaimer regarding unpredictable utility rates and the potential for tax incentives to change which must be written in **BOLD TYPE AND ALL CAPITAL LETTERS**.

Additionally, for leases, the lease must explicitly disclose information pertaining to the number, amount, and scheduled timing of payments required to repay any credit obligation(s); however, the legislation also notes that these disclosure requirements will be deemed satisfied if the lease complies with 12 Code of Federal Regulations Part 1026. At the time a contract is signed, a summary of the total estimated costs under the agreement for maintaining and operating the distributed energy generation system over the life of the distributed energy generation system must be provided and initialed by the consumer.

Contractors must also obtain a written acknowledgment that roofing materials may need repair or replacement during the system's lifetime; this must include a clear and conspicuous disclosure that the consumer is responsible for the costs to remove and reinstall the solar system during roof repairs and that removing the panels may void the original installer's warranty. Before installation begins, the contractor must evaluate whether the roof can structurally support the system and recommend an independent inspection from a licensed roofing contractor. Note that by installing a solar system on a roof surface, contractors are deemed to have accepted the roof surface for purposes of the initial installation, and are responsible for repairing any roof damage that is caused by the installation.

CONNECTICUT

Connecticut's Senate Bill 233, which will become effective on October 1, 2026, updates consumer protection rules governing residential solar and energy storage system contracts, with a focus on cancellation rights and lender accountability.

Specifically, the law establishes a clear timeline and financial penalty with regard to consumer cancellation rights. If a consumer cancels a contract, the seller has 10 days to return any payments, traded-in property, or negotiable instruments, and must retrieve any delivered goods within 20 calendar days; after which time the consumer may keep or dispose of them freely. For financed systems, residential solar lenders and providers must furnish a payoff statement or transfer documentation within seven days of a written request at any time during the life of the financing. If a residential solar lender or provider fails to provide the payoff statement within the required time period, the residential solar lender or provider is required to issue credit to the consumer's account in the amount of $250.

Additionally, consumers may now send cancellation notices through email, fax, or regular mail, and residential solar sellers are required to list their business email address, fax number, and physical business address directly on the cancellation notice form. In addition to the standard three-business-day right to cancel, residential solar contracts must state in **12-point bold font** that consumers may cancel at any time prior to midnight of the third business day after the transaction date, with the exact cutoff date clearly printed on the cancellation form. When contracts are delivered electronically, the accompanying communication must direct consumers to review the Notice of Cancellation.

Not later than February 15, 2027, and annually thereafter, each residential solar or energy storage seller must submit a report to the Department of Consumer Protection, in a form and manner prescribed by the Commissioner of Consumer Protection, disclosing the identity of each person with whom the seller maintains a business relationship and through whom the seller provides financing, installation services, or other related consumer services in partnership with such residential solar or energy storage seller that involve an in-person interaction with consumers.

This bill amends the Home Solicitation Sales Act. Throughout the Home Solicitation Sales Act, the law replaces the term “buyer” with “consumer,” and also creates a defined term for “Consumer,” which means “any individual who is physically present in [the] state and a prospective recipient of consumer goods or consumer services.” This change appears throughout cancellation rights, notices, and related contractual provisions, seemingly to clarify that these requirements apply not only to buyers of residential solar or energy storage systems, but also to consumers who enter into lease or rental agreements for residential solar or energy storage systems. Companies using Connecticut-specific contract forms should review and update them accordingly. Effective February 15, 2027, no residential solar solicitation may occur before 9:00 a.m. and after 7:00 p.m. Beginning February 15, 2028, residential solar sellers and their representatives must also carry identification cards during in-person solicitations and provide consumers with the state-developed solar consumer handbook before or during the sales process.

Rooftop Rules: The Residential Solar Law Review is your resource for residential solar legislative and regulatory updates. As the residential solar landscape continues to evolve, staying ahead of policy changes is critical to keeping your agreements and operations compliant. Our team will continue to provide updates on newly enacted legislation, regulatory guidance, and policy changes across key states and jurisdictions affecting the residential solar market.

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