



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1032

PRINTER'S NO. 3495

PRIME SPONSOR: Fiedler

COST / (SAVINGS)

| FUND | FY 2024/25 | FY 2025/26 |
|--------------|------------|------------|
| General Fund | \$0 | \$0 |

SUMMARY:

Establishes the Solar for Schools Grant Program.

ANALYSIS:

House Bill 1032 establishes the Solar for Schools Grant Program in the Department of Community and Economic Development to provide competitive grants to eligible applicants, including school districts, intermediate units, area career and technical schools, charter school entities, chartered schools for the education of the deaf or the blind, community colleges, the Thaddeus Stevens College of Technology, and the Pennsylvania College of Technology, for costs related to solar energy projects.

In addition to developing an application and guidelines, the department is required to set standards for required solar facility site assessments and develop a financial risk and savings report that all solar projects must complete.

In making grant award determinations, the department may give preference based upon the geographical spread of awards, projected solar energy production, proximity to recently closed coal-powered electric generation plants, manufacture location of materials, and potential federal Inflation Reduction Act funding, including qualifying for the low-income communities bonus credit program.

Grant awards are capped at 50% of the cost of the solar energy project and must be geographically dispersed throughout the commonwealth. The department may randomly audit and monitor grant recipients for compliance with the terms of the grant.

House Bill 1032 would take effect July 1, 2023, or immediately, whichever is later.

FISCAL IMPACT:

House Bill 1032 provides for the framework for a new Solar for Schools Grant Program, but it does not include an appropriation for program grants. Further, the bill permits the Department of Community and Economic Development to use up to 3% money appropriated for the program to cover direct costs associated with the administration of the program. Therefore, House Bill 1032 would have no fiscal impact on commonwealth funds.

For eligible applicants, grant funding under House Bill 1032 would represent a new revenue source, helping cover upfront costs for solar energy projects that would, in turn, generate long-term energy cost savings.

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House Appropriations Committee (D)

DATE: July 11, 2024

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.