

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.** House Bill 1032

**PRINTER NO.** 3495

**AMOUNT**

See Fiscal Impact

**FUND**

General Fund

**DATE INTRODUCED**

April 26, 2023

**PRIME SPONSOR**

Representative Fiedler

**DESCRIPTION**

House Bill 1032 establishes the Solar for Schools Act to provide for the Solar for Schools Grant Program within the Department of Community and Economic Development (DCED). The program may provide grants of up to 50% of costs related to purchasing and installing solar energy systems at school facilities.

The following are eligible to apply for the program: school entities, including intermediate units, career and technical schools and charter schools; community colleges; Thaddeus Stevens College of Technology; and the Pennsylvania College of Technology.

This legislation assigns the following duties to DCED to administer the program:

- Establish program guidelines and the application process;
- Develop standards for conducting solar facility site assessments and provide technical assistance to eligible applicants;
- Develop educational materials about using, purchasing, financing and maintaining solar energy systems;
- Provide information on funding opportunities available through the federal Inflation Reduction Act;
- Ensure that a solar energy system is not installed by the same provider that conducted the solar facility site assessment; and
- Develop a standard report for entities that receive grant funding to report costs and savings associated with solar energy projects.

If a school facility with a solar energy project is sold, House Bill 1032 requires the new owner of the property to reimburse DCED for 80% of the grant amount if the sale occurs within five years from the date the grant was awarded. The required reimbursement is reduced to 60% if the facility is sold between five and ten years of the grant, 40% if the facility is sold between ten and fifteen years of the grant and 20% if the facility is sold between fifteen and twenty years of the grant.

This legislation is scheduled to take effect July 1, 2024, or immediately, whichever is later.

# **SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE**

## **FISCAL IMPACT:**

This legislation establishes the Solar for Schools Grant Program but does not make an appropriation or otherwise provide funding for the program. If money is appropriated for the program, DCED is permitted to use up to 3% for administrative costs. According to DCED, administering the program will require an additional five employees at a cost of \$100,000 per employee, for a total of \$500,000.