14

energy costs.

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

1032 Session of 2023

INTRODUCED BY FIEDLER, KAUFER, GAYDOS, BOROWSKI, MALAGARI, PISCIOTTANO, NEILSON, KRUEGER, OTTEN, KRAJEWSKI, INNAMORATO, SCHLOSSBERG, T. DAVIS, D. WILLIAMS, VITALI, PROBST, GUENST, HILL-EVANS, TAKAC, SMITH-WADE-EL, MADDEN, MCANDREW, BRENNAN, VENKAT, KHAN, GIRAL, KENYATTA, WAXMAN, HADDOCK, SANCHEZ, HOWARD, KINSEY, WARREN, O'MARA, FLEMING, FREEMAN, SAMUELSON, DALEY, STURLA, FRANKEL, CONKLIN, BRIGGS, N. NELSON, CERRATO, SHUSTERMAN, DONAHUE, SALISBURY, KIM, PIELLI, GREEN, BOYD, WEBSTER, CEPEDA-FREYTIZ, ISAACSON AND MAYES, APRIL 26, 2023

SENATOR GEBHARD, COMMUNITY, ECONOMIC AND RECREATIONAL DEVELOPMENT, IN SENATE, AS AMENDED, JUNE 26, 2024

## AN ACT

Establishing the Solar for Schools Grant Program; and providing for powers and duties of the Department of Community and Economic Development. The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: Section 1. Short title. This act shall be known and may be cited as the Solar for Schools Act. Section 2. Purpose. <--10 The purpose of this act is to expand the use of solar energy 11 at school facilities in this Commonwealth to achieve the 12 following benefits: (1) To help schools reduce their present and future 13

1 (2) To increase the resiliency of school energy systems. 2 (3) To help schools reduce their emissions of carbon 3 dioxide and other pollutants. 4 (4) To grow employment through good paying jobs in the 5 solar industry. (5) To maximize the Inflation Reduction Act's solar 6 7 energy investment tax credit for Pennsylvania. Section  $\frac{3}{2}$  2. Definitions. 8 <--9 The following words and phrases when used in this act shall 10 have the meanings given to them in this section unless the context clearly indicates otherwise: 11 12 "Department." The Department of Community and Economic 13 Development of the Commonwealth. 14 "Eligible applicant." Any of the following: 15 (1) A school district. <--(2) An intermediate unit. 16 (3) An area career and technical school. 17 18 (4) A chartered school for the education of the deaf or 19 the blind. 20 (5) A community college. 21 (6) The Thaddeus Stevens College of Technology. 22 (7) The Pennsylvania College of Technology. 23 (1) A SCHOOL ENTITY AS DEFINED IN THE ACT OF MARCH 10, <--24 1949 (P.L.30, NO.14), KNOWN AS THE PUBLIC SCHOOL CODE OF 1949, INCLUDING: 25 26 A SCHOOL DISTRICT. (I) 27 (II) AN INTERMEDIATE UNIT. 28 (III) AN AREA CAREER AND TECHNICAL SCHOOL. 29 (IV) A CHARTER SCHOOL.

30

(V) A CYBER CHARTER SCHOOL.

- 1 (VI) A REGIONAL CHARTER SCHOOL.
- 2 (2) A CHARTERED SCHOOL FOR THE EDUCATION OF THE DEAF OR
- 3 THE BLIND.
- 4 (3) A COMMUNITY COLLEGE.
- 5 (4) THE THADDEUS STEVENS COLLEGE OF TECHNOLOGY.
- 6 (5) THE PENNSYLVANIA COLLEGE OF TECHNOLOGY.
- 7 "Eligible project costs." The term includes costs related to
- 8 the purchase and installation of equipment, including prepayment <--
- 9 in whole or in part of a solar lease or power purchase-
- 10 agreement, permit fees, energy storage, utility interconnection-
- 11 and any other costs approved by the department DIRECTLY RELATED <--
- 12 TO A SOLAR ENERGY PROJECT.
- "Inflation Reduction Act." The Inflation Reduction Act of
- 14 2022 (Public Law 117-169, 136 Stat. 1818).
- 15 "Program." The Solar for Schools Grant Program established
- 16 under section 4 3.
- 17 "QUALIFIED PROVIDER." A PERSON OR BUSINESS THAT IS CAPABLE <--

- 18 OF EVALUATING, RECOMMENDING, DESIGNING, IMPLEMENTING AND
- 19 INSTALLING A SOLAR ENERGY PROJECT.
- 20 "School facility." An educational building and surrounding
- 21 premises owned by an eligible applicant.
- "Solar energy project." A project at a school facility
- 23 related to photovoltaic or solar thermal devices that convert,
- 24 transfer or store solar energy in or into usable forms of
- 25 thermal or electric energy.
- 26 "SOLAR FACILITY SITE ASSESSMENT." AN EVALUATION OF A SCHOOL <--
- 27 FACILITY PERFORMED BY A QUALIFIED PROVIDER TO ASCERTAIN WHETHER
- 28 A SCHOOL FACILITY IS CAPABLE OF SUPPORTING A SOLAR ENERGY
- 29 PROJECT AND ESTIMATES OF THE AMOUNTS BY WHICH AN ELIGIBLE
- 30 APPLICANT'S ENERGY OR OPERATING COSTS WILL BE REDUCED BY A SOLAR

- 1 ENERGY PROJECT.
- 2 Section 4 3. Solar for Schools Grant Program.
- 3 (a) Establishment. -- The Solar for Schools Grant Program is

<--

- 4 established in the department to award grants to eligible
- 5 applicants on a competitive basis to the extent that money is
- 6 appropriated for this purpose.
- 7 (b) Use of grants.--A grant awarded under this section shall
- 8 be used by the eligible applicant for eligible project costs
- 9 related to a solar energy project.
- 10 (c) Duties of department. -- The department shall have the
- 11 following powers and duties TO THE EXTENT THAT MONEY IS
- 12 APPROPRIATED FOR SUCH PURPOSES:
- 13 (1) To establish guidelines necessary to implement this
- 14 act.
- 15 (2) To establish the process through which eligible
- applicants may apply for grant money.
- 17 (3) To develop the minimum information to be included in <--
- 18 a solar feasibility STANDARDS FOR THE CONDUCT OF A SOLAR
- 19 FACILITY SITE assessment.
- 20 (4) To provide technical assistance to schools ELIGIBLE <--
- 21 APPLICANTS as appropriate, including, but not limited to,
- 22 conducting solar assessments. MAINTAINING A LIST OF QUALIFIED <--
- 23 PROVIDERS.
- 24 (5) To develop educational materials about using,
- 25 purchasing, financing and maintaining solar energy projects.
- 26 (6) To provide information related to funding
- 27 opportunities through the Inflation Reduction Act.
- 28 <del>(7) To enter into agreements with third-party entities, <--</del>
- 29 including the Department of Environmental Protection, to-
- 30 carry out the provisions of this act, including reviewing

_	of Ferror and Ferror Francis and Ferror
2	(7) TO ENSURE THAT A QUALIFIED PROVIDER THAT PERFORMS A <
3	SOLAR FACILITY SITE ASSESSMENT FOR AN ELIGIBLE APPLICANT MAY
4	NOT CONTRACT WITH THE ELIGIBLE APPLICANT TO COMPLETE THE
5	SOLAR ENERGY PROJECT.
6	(d) ApplicationAn eligible applicant shall submit an
7	application on a form and in a manner as determined by the
8	department. The following apply:
9	(1) The application shall include the result of a solar
10	feasibility FACILITY SITE assessment conducted by a qualified <
11	solar installer PROVIDER. <
12	(2) The application shall include an affidavit to ensure <-
13	that a contractor or subcontractor performing construction,
14	reconstruction, demolition, repair or maintenance work on a
15	solar energy project funded under this act meets all of the
16	<pre>following requirements:</pre>
17	(i) Maintains all valid licenses, registrations or
18	certificates required by the Federal Government, the
19	Commonwealth or a local government entity that is
20	necessary to do business or perform applicable work.
21	(ii) Maintains compliance with the act of June 2,
22	1915 (P.L.736, No.338), known as the Workers'
23	Compensation Act, the act of December 5, 1936 (2nd
24	Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment
25	Compensation Law, and bonding and liability insurance
26	requirements as specified in the contract for the solar
27	energy project.
28	(iii) Has not defaulted on a project, declared
29	bankruptcy, been debarred or suspended on a project by
30	the Federal Government, the Commonwealth or a local

Т	government entity within the previous three years.
2	(iv) Has not been convicted of a misdemeanor or
3	felony relating to the performance or operation of the
4	business of the contractor or subcontractor within the
5	<del>previous 10 years.</del>
6	(v) Has completed a minimum of the United States
7	Occupational Safety and Health Administration's 10-hour
8	safety training course or similar training sufficient to
9	prepare workers for any hazards that may be encountered
10	during their work.
11	(2) THE APPLICATION SHALL INCLUDE AN AFFIDAVIT TO ENSURE <
12	THAT A CONTRACTOR OR SUBCONTRACTOR PERFORMING CONSTRUCTION,
13	RECONSTRUCTION, DEMOLITION OR REPAIR ON A SOLAR ENERGY
14	PROJECT FUNDED UNDER THIS ACT MEETS ALL OF THE FOLLOWING
15	REQUIREMENTS:
16	(I) MAINTAINS ALL VALID LICENSES, REGISTRATIONS OR
17	CERTIFICATES REQUIRED BY THE FEDERAL GOVERNMENT, THE
18	COMMONWEALTH OR A LOCAL GOVERNMENT ENTITY THAT IS
19	NECESSARY TO DO BUSINESS OR PERFORM APPLICABLE WORK.
20	(II) MAINTAINS COMPLIANCE WITH THE ACT OF JUNE 2,
21	1915 (P.L.736, NO.338), KNOWN AS THE WORKERS'
22	COMPENSATION ACT, THE ACT OF DECEMBER 5, 1936 (2ND
23	SP.SESS., 1937 P.L.2897, NO.1), KNOWN AS THE UNEMPLOYMENT
24	COMPENSATION LAW, AND BONDING AND LIABILITY INSURANCE
25	REQUIREMENTS AS SPECIFIED IN THE CONTRACT FOR THE SOLAR
26	ENERGY PROJECT.
27	(III) HAS NOT DEFAULTED ON A PROJECT, DECLARED
28	BANKRUPTCY, BEEN DEBARRED OR SUSPENDED ON A PROJECT BY
29	THE FEDERAL GOVERNMENT, THE COMMONWEALTH OR A LOCAL
30	GOVERNMENT ENTITY WITHIN THE PREVIOUS THREE YEARS.

- 1 (IV) HAS NOT BEEN CONVICTED OF A MISDEMEANOR OR
  2 FELONY RELATING TO THE PERFORMANCE OR OPERATION OF THE
  3 BUSINESS OF THE CONTRACTOR OR SUBCONTRACTOR WITHIN THE
  4 PREVIOUS 10 YEARS.
  - (V) HAS COMPLETED A MINIMUM OF THE UNITED STATES

    OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION'S 10-HOUR

    SAFETY TRAINING COURSE OR SIMILAR TRAINING SUFFICIENT TO

    PREPARE WORKERS FOR ANY HAZARDS THAT MAY BE ENCOUNTERED

    DURING THEIR WORK.
  - (3) Prior to the time period established by the department to submit an application, the department shall solicit and fulfill requests for technical assistance from eligible applicants.

## (e) Prevailing wage requirement.

- (1) An employer or contractor contracted to complete a solar energy project under the program shall pay the prevailing minimum wage and benefit rates for all crafts or classifications performing construction, reconstruction, demolition, alteration and repair work, other than maintenance work, on the solar energy project as determined by the Department of Labor and Industry under the act of August 15, 1961 (P.L.987, No.442), known as the Pennsylvania Prevailing Wage Act, and as bid under the act of May 1, 1913 (P.L.155, No.104), referred to as the Separations Act.
  - (2) If the department or the Department of Labor and
    Industry determines that an eligible applicant that received
    a grant under the program failed to comply with the
    Pennsylvania Prevailing Wage Act or the Separations Act, the
    eligible applicant must refund to the department the total
    amount of grants awarded for the solar energy project.

- 1 (E) PAYMENT.--IF A GRANT IS AWARDED TO AN ELIGIBLE APPLICANT <--
- 2 FOR THE CONSTRUCTION, REHABILITATION, RENOVATION OR SITE WORK ON
- 3 A SCHOOL FACILITY, THE ELIGIBLE APPLICANT SHALL ENSURE THAT ALL
- 4 CONTRACTORS AND SUBCONTRACTORS ENGAGED DURING THE ON-SITE
- 5 CONSTRUCTION, RENOVATION, REHABILITATION, RECONSTRUCTION,
- 6 DEMOLITION, ALTERATION AND REPAIR WORK, OTHER THAN MAINTENANCE
- 7 WORK, ON ANY SEGMENT OF WORK AT THE SCHOOL FACILITY PAY TO THEIR
- 8 WORKERS NOT LESS THAN THE PREVAILING MINIMUM WAGE AND BENEFIT
- 9 RATES FOR ALL CRAFTS OR CLASSIFICATIONS, AS DETERMINED BY THE
- 10 DEPARTMENT OF LABOR AND INDUSTRY UNDER THE ACT OF AUGUST 15,
- 11 1961 (P.L.987, NO.442), KNOWN AS THE PENNSYLVANIA PREVAILING
- 12 WAGE ACT.
- 13 (F) PROJECT DELIVERY.--THE FOLLOWING APPLY:
- 14 (1) AN ELIGIBLE APPLICANT SHALL COMPLY WITH THE
- 15 CONTRACTING PROCEDURE UNDER THE ACT OF MAY 1, 1913 (P.L.155,
- 16 NO.104), REFERRED TO AS THE SEPARATIONS ACT.
- 17 (2) IF THE DEPARTMENT OR THE DEPARTMENT OF LABOR AND
- 18 INDUSTRY DETERMINES THAT AN ELIGIBLE APPLICANT THAT RECEIVED
- 19 A GRANT UNDER THE PROGRAM FAILED TO COMPLY WITH THE
- 20 SEPARATIONS ACT OR PENNSYLVANIA PREVAILING WAGE ACT, THE
- 21 ELIGIBLE APPLICANT SHALL REFUND TO THE DEPARTMENT THE TOTAL
- 22 AMOUNT OF GRANTS AWARDED FOR THE SOLAR ENERGY PROJECT.
- 23 (f) (G) Grant limits.--An eligible applicant may receive a <--

- 24 grant of up to 50% of the eligible project costs for the solar
- 25 energy project.
- 26 <del>(g) Grant awards. -</del>
- 27 (1) The department, in its discretion, may award in
- 28 whole or in part a request made by an eligible applicant in
- 29 its grant application based upon the merit of a specific-
- 30 component requested.

- 1 (2) The department shall give preference in award
  2 decisions to eligible applicants seeking funding under the
  3 Inflation Reduction Act.
  - (3) The department shall give preference in award decisions to eligible applicants in close proximity to coal-powered electric generation plants that have closed or will close within one year of the effective date of this paragraph.
  - (4) The department may give preference in award decisions to applications demonstrating the greatest amount of solar energy projected to be produced relative to the existing energy usage at the school facility proposed for the solar energy project.
  - (5) The department may give preference in award decisions to school entities that qualify for the Low-Income-Communities Bonus Credit Program established under the Inflation Reduction Act.
  - (6) The department shall ensure that money for the program is geographically dispersed throughout this—

    Commonwealth based on the applications received.
  - (7) A grant award received by a school entity under this act shall not be included when calculating the amount to be paid to a charter school under section 1725 A of the act of March 10, 1949 (P.L.30, No.14), known as the Public School Code of 1949.
  - (8) A grant award received under this act shall not be contingent upon the applicant committing to transfer ownership of any solar renewable energy credits generated by a solar energy project.
  - (9) A grant award received under this act shall be

contingent upon the eligible applicant retaining ownership of the equipment, including photovoltaic or solar thermal devices, related to the solar energy project at the onset of the purchase and installation of the equipment or at the conclusion of a power purchase agreement or lease agreement with a third party.

- (10) A grant award received under this act shall be contingent upon the equipment, including photovoltaic or solar thermal devices, related to the solar energy project being produced or manufactured in the United States. For the purpose of this paragraph, equipment shall be considered produced or manufactured in the United States if at least 75% of the articles, materials and supplies are produced or manufactured in the United States.
- (h) Best practices. An eligible applicant that receives a grant under the program may:
  - (1) Use the energy cost savings from the solar energy project to supplement, not supplant, existing spending on school facility projects, including environmental and health-hazard remediation, indoor air quality improvements, heating, ventilation and air conditioning upgrades, roof, window and plumbing repairs or replacements, and emergency repairs.
  - (2) Integrate the solar energy project into the school's educational curriculum, as appropriate.
- 25 (i) Reimbursement.—In the event that a school facility that
  26 benefited from a grant under the program is leased or sold, the
  27 eligible applicant that received the grant shall notify the
  28 department, and the new owner of the school facility shall
  29 reimburse the department the amount of the grant related to the
  30 solar energy project at the school facility.

- 1 (H) GRANT AWARDS.--THE DEPARTMENT SHALL DEVELOP A RUBRIC TO <--
- 2 PRIORITIZE GRANT AWARDS UNDER THIS SECTION. THE RUBRIC SHALL
- 3 CONSIDER ALL OF THE FOLLOWING:
- 4 (1) THE GEOGRAPHICAL DISPERSEMENT OF GRANTS THROUGHOUT
- 5 THIS COMMONWEALTH BASED ON APPLICATIONS RECEIVED. THE
- 6 DEPARTMENT SHALL ESTABLISH THREE REGIONS OF EQUAL POPULATION
- 7 WITHIN THIS COMMONWEALTH UNDER THIS PARAGRAPH AND ALLOCATE AN
- 8 EOUAL PERCENTAGE OF AVAILABLE FUNDS TO EACH REGION.
- 9 (2) WHETHER THE ELIGIBLE APPLICANT IS SEEKING FUNDING
- 10 UNDER THE INFLATION REDUCTION ACT.
- 11 (3) WHETHER THE APPLICANT IS WITHIN 50 MILES OF A COAL-
- 12 POWERED ELECTRIC GENERATION PLANT THAT HAS CLOSED OR WILL
- 13 CLOSE WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS
- 14 PARAGRAPH.
- 15 (4) THE AMOUNT OF SOLAR ENERGY PROJECTED TO BE PRODUCED
- 16 RELATIVE TO THE EXISTING ENERGY USAGE AT THE SCHOOL FACILITY
- 17 PROPOSED FOR THE SOLAR ENERGY PROJECT.
- 18 (5) WHETHER THE ELIGIBLE APPLICANT QUALIFIES FOR THE
- 19 LOW-INCOME COMMUNITIES BONUS CREDIT PROGRAM ESTABLISHED UNDER
- THE INFLATION REDUCTION ACT.
- 21 (6) WHETHER THE EQUIPMENT, INCLUDING PHOTOVOLTAIC OR
- 22 SOLAR THERMAL DEVICES, RELATED TO THE SOLAR ENERGY PROJECT IS
- 23 BEING PRODUCED OR MANUFACTURED IN THE UNITED STATES. FOR THE
- 24 PURPOSE OF THIS PARAGRAPH, EQUIPMENT SHALL BE CONSIDERED
- 25 PRODUCED OR MANUFACTURED IN THE UNITED STATES IF AT LEAST 75%
- 26 OF THE ARTICLES, MATERIALS AND SUPPLIES ARE PRODUCED OR
- 27 MANUFACTURED IN THE UNITED STATES IF AVAILABLE.
- 28 (I) LIMITATIONS.--A GRANT AWARD RECEIVED UNDER THIS ACT BY A
- 29 SCHOOL DISTRICT SHALL NOT BE INCLUDED WHEN CALCULATING THE
- 30 AMOUNT TO BE PAID UNDER SECTION 1725-A OF THE ACT OF MARCH 10,

- 1 1949 (P.L.30, NO.14), KNOWN AS THE PUBLIC SCHOOL CODE OF 1949.
- 2 (j) Guidelines. -- Within 90 days of the effective date of
- 3 this section, the department shall publish the guidelines
- 4 required by subsection (c)(1) on the department's publicly
- 5 accessible Internet website.
- 6 (k) Audits. The department may randomly audit and monitor <--
- 7 grant recipients to ensure the appropriate use of grant money
- 8 and compliance with the provisions of this act and department
- 9 guidelines established under subsection (c).
- 10 (K) Administrative fee.--The department may use UP TO 3% <--
- 11 OF THE money appropriated for the program to pay for the direct
- 12 costs associated with the administration of the program,
- 13 including providing technical assistance TO ELIGIBLE APPLICANTS. <--

- 14 Section  $\frac{5}{4}$ . Effective date.
- This act shall take effect July 1, 2023 2024, or immediately, <--
- 16 whichever is later.