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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 2577 Session of  
2024

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INTRODUCED BY MERSKI, HARKINS, HILL-EVANS, PIELLI, FREEMAN,  
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HOHENSTEIN, DALEY, BOROWSKI, GUENST, KHAN, VITALI, GREEN,  
PASHINSKI, CERRATO AND O'MARA, SEPTEMBER 24, 2024

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REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, SEPTEMBER 24, 2024

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AN ACT

1 Establishing the Municipal and Emergency Responder Solar Grant  
2 Program; and providing for powers and duties of the  
3 Department of Environmental Protection.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Short title.

7 This act shall be known and may be cited as the Municipal and  
8 Emergency Responder Solar Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall  
11 have the meanings given to them in this section unless the  
12 context clearly indicates otherwise:

13 "Department." The Department of Environmental Protection of  
14 the Commonwealth.

15 "Eligible applicant." Any of the following:

16 (1) A political subdivision.

17 (2) A local authority.

1 "Eligible facility." A political subdivision or emergency  
2 service facility eligible to receive money under this act.

3 "Eligible project costs." The term includes costs related to  
4 the purchase and installation of equipment, including prepayment  
5 in whole or in part of a solar lease or power purchase  
6 agreement, permit fees, energy storage, utility interconnection  
7 and any other costs approved by the department.

8 "Emergency service facility." A building and surrounding  
9 premises owned by an eligible applicant, a fire department,  
10 police department or ambulance service company.

11 "Inflation Reduction Act." The Inflation Reduction Act of  
12 2022 (Public Law 117-169, 136 Stat. 1818).

13 "Political subdivision." A county, city, borough,  
14 incorporated town or township.

15 "Program." The Municipal and Emergency Responder Solar Grant  
16 Program established under section 3.

17 "Solar energy project." A project at an eligible facility  
18 related to photovoltaic or solar thermal devices that convert,  
19 transfer or store solar energy in or into usable forms of  
20 thermal or electric energy.

21 "Solar facility site assessment." An evaluation of a  
22 possible location to ascertain whether it is safe and cost-  
23 effective for installing a solar energy project.

24 Section 3. Municipal and Emergency Responder Solar Grant  
25 Program.

26 (a) Establishment.--The Municipal and Emergency Responder  
27 Solar Grant Program is established and shall be administered by  
28 the department. The program shall award grants to eligible  
29 applicants on a competitive basis to the extent that money is  
30 appropriated for this purpose.

1 (b) Use of grants.--A grant awarded under this act shall be  
2 used by the eligible applicant for eligible project costs  
3 related to a solar energy project.

4 (c) Duties of department.--The department shall have the  
5 following powers and duties:

6 (1) To establish guidelines necessary to implement this  
7 act.

8 (2) To establish the process through which eligible  
9 applicants may apply for grant money under the program.

10 (3) To develop the minimum information to be included in  
11 a solar facility site assessment.

12 (4) To provide technical assistance to an eligible  
13 applicant or other entity represented by an eligible  
14 applicant as appropriate, including conducting a solar  
15 facility site assessment.

16 (5) To develop educational materials about using,  
17 purchasing, financing and maintaining solar energy projects.

18 (6) To provide information related to funding  
19 opportunities through the Inflation Reduction Act.

20 (7) To enter into agreements with third-party entities  
21 if necessary, including the Department of Community and  
22 Economic Development, to carry out this act, including  
23 reviewing applications, and providing technical assistance  
24 and conducting solar facility site assessments.

25 (d) Application.--An eligible applicant shall submit an  
26 application on a form and in a manner as determined by the  
27 department. The following apply:

28 (1) The application shall include the result of a solar  
29 facility site assessment conducted by a qualified solar  
30 installer.

1           (2) The application shall include an affidavit to ensure  
2 that a contractor or subcontractor performing construction,  
3 reconstruction, demolition or repair on a solar energy  
4 project funded under this act meets all of the following  
5 requirements:

6           (i) Maintains all valid licenses, registrations or  
7 certificates required by the Federal Government, the  
8 Commonwealth or a local government entity that is  
9 necessary to do business or perform applicable work.

10           (ii) Maintains compliance with the act of June 2,  
11 1915 (P.L.736, No.338), known as the Workers'  
12 Compensation Act, the act of December 5, 1936 (2nd  
13 Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment  
14 Compensation Law, and bonding and liability insurance  
15 requirements as specified in the contract for the solar  
16 energy project.

17           (iii) Has not defaulted on a project, declared  
18 bankruptcy, been debarred or suspended on a project by  
19 the Federal Government, the Commonwealth or a local  
20 government entity within the previous three years.

21           (iv) Has not been convicted of a misdemeanor or  
22 felony relating to the performance or operation of the  
23 business of the contractor or subcontractor within the  
24 previous 10 years.

25           (v) Has completed a minimum of the United States  
26 Occupational Safety and Health Administration's 10-hour  
27 safety training course or similar training sufficient to  
28 prepare workers for any hazards that may be encountered  
29 during their work.

30           (3) Prior to the time period established by the

1 department to submit an application, the department shall  
2 solicit and fulfill requests for technical assistance from  
3 eligible applicants.

4 (4) An eligible applicant may submit an application on  
5 behalf of a fire department, police department or ambulance  
6 service company.

7 (e) Prevailing wage requirement.--

8 (1) An employer or contractor contracted to complete a  
9 solar energy project under the program shall pay the  
10 prevailing minimum wage and benefit rates for all crafts or  
11 classifications performing construction, reconstruction,  
12 demolition, alteration and repair work, other than  
13 maintenance work, on the solar energy project as determined  
14 by the Department of Labor and Industry under the act of  
15 August 15, 1961 (P.L.987, No.442), known as the Pennsylvania  
16 Prevailing Wage 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 Pennsylvania Prevailing Wage Act, the eligible applicant must  
21 refund to the department the total amount of grants awarded  
22 for the solar energy project.

23 (f) Project delivery.--An employer or contractor contracted  
24 to complete a solar energy project under the program shall use  
25 the contracting procedure under the act of May 1, 1913 (P.L.155,  
26 No.104), referred to as the Separations Act, or through a power  
27 purchase agreement with a third-party developer or under 62  
28 Pa.C.S. Ch. 37 Subch. E (relating to guaranteed energy savings  
29 contracts) for a solar project contemplated by the program  
30 either separately or together with other energy efficiency

1 improvements contemplated under 62 Pa.C.S. Ch. 37 Subch. E. For  
2 purposes of determining "energy-related cost savings" as defined  
3 under 62 Pa.C.S. § 3752 (relating to definitions), a grant  
4 recipient may use the cost of the project as reduced by the  
5 amount of the grant. Should an eligible applicant elect to use  
6 contracting procedures under 62 Pa.C.S. Ch. 37 Subch. E or a  
7 power purchase agreement, the eligible applicant shall be exempt  
8 from contracting requirements under the Separations Act only for  
9 projects approved under this act.

10 (g) Grant limits.--An eligible applicant may receive a grant  
11 of up to 50% of the eligible project costs for a solar energy  
12 project.

13 (h) Grant awards.--

14 (1) The department, in its discretion, may award in  
15 whole or in part a request made by an eligible applicant in  
16 its grant application based upon the merit of a specific  
17 component requested.

18 (2) The department shall give preference in award  
19 decisions to eligible applicants seeking funding under the  
20 Inflation Reduction Act.

21 (3) The department shall give preference in award  
22 decisions to eligible applicants within 50 miles of a coal-  
23 powered electric generation plant that has closed or will  
24 close within one year of the effective date of this  
25 paragraph.

26 (4) The department may give preference in award  
27 decisions to applications demonstrating the greatest amount  
28 of solar energy projected to be produced relative to the  
29 existing energy usage at the eligible facility proposed for  
30 the solar energy project.

1           (5) The department shall establish a minimum of three  
2 regions of equal population within this Commonwealth for this  
3 purpose and allocate an equal percentage of available money  
4 to each region.

5           (6) A grant award received under this act shall not be  
6 contingent upon the applicant committing to transfer  
7 ownership of any solar renewable energy credits generated by  
8 a solar energy project.

9           (7) A grant award received under this act shall be  
10 contingent upon the eligible applicant retaining ownership of  
11 the equipment, including photovoltaic or solar thermal  
12 devices, related to the solar energy project at the onset of  
13 the purchase and installation of the equipment or at the  
14 conclusion of a power purchase agreement or lease agreement  
15 with a third party.

16           (8) A grant award received under this act shall be  
17 contingent upon the equipment, including photovoltaic or  
18 solar thermal devices, related to the solar energy project  
19 being produced or manufactured in the United States. For the  
20 purpose of this paragraph, equipment shall be considered  
21 produced or manufactured in the United States if at least 75%  
22 of the articles, materials and supplies are produced or  
23 manufactured in the United States, if available.

24           (i) Best practices.--An eligible applicant that receives a  
25 grant under the program may use the energy cost savings from the  
26 solar energy project to supplement, not supplant, existing  
27 spending on eligible facility projects, including environmental  
28 and health hazard remediation, indoor air quality improvements,  
29 heating, ventilation and air conditioning upgrades, roof, window  
30 and plumbing repairs or replacements and emergency repairs.

1 (j) Guidelines.--Within 90 days of the effective date of  
2 this subsection, the department shall publish the guidelines  
3 required by subsection (c)(1) on the department's publicly  
4 accessible Internet website.

5 (k) Audits.--The department may randomly audit and monitor  
6 grant recipients to ensure the appropriate use of grant money  
7 and compliance with this act and department guidelines.

8 (l) Administrative fee.--The department may use money  
9 appropriated for the program to pay for the direct costs  
10 associated with the administration of the program, including  
11 providing technical assistance.

12 Section 4. Effective date.

13 This act shall take effect immediately.