

House Bill 473

By: Representatives Harbin of the 118<sup>th</sup>, Keen of the 179<sup>th</sup>, Stephens of the 164<sup>th</sup>, Ehrhart of the 36<sup>th</sup>, Kaiser of the 59<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 8 of Title 50 of the Official Code of Georgia Annotated, relating to the  
2 Department of Community Affairs, so as to provide for grants for clean energy property for  
3 a limited period of time from federal funds available for such purposes; to provide for  
4 definitions; to provide for procedures, conditions, and limitations; to provide for related  
5 matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 8 of Title 50 of the Official Code of Georgia Annotated, relating to the Department  
9 of Community Affairs, is amended by adding a new article to read as follows:

10 "ARTICLE 7A

11 50-8-180.

12 (a) As used in this Code section, the term:

13 (1) 'Authority' means the Georgia Environmental Facilities Authority.

14 (2) 'Business property' means tangible personal property that is used by a person in  
15 connection with a business or for the production of income and is capitalized by the  
16 person for federal income tax purposes. The term does not include, however, a luxury  
17 passenger automobile taxable under Section 4001 of the Internal Revenue Code or a  
18 watercraft used principally for entertainment and pleasure outings for which no admission  
19 is charged.

20 (3) 'Clean energy property' includes any of the following:

21 (A) Solar energy equipment that uses solar radiation as a substitute for traditional  
22 energy for water heating, active space heating and cooling, passive heating, daylighting,  
23 generating electricity, distillation, desalinization, or the production of industrial or  
24 commercial process heat, as well as related devices necessary for collecting, storing,  
25 exchanging, conditioning, or converting solar energy to other useful forms of energy;

26 (B) Energy Star certified geothermal heat pump systems;

27 (C) Energy efficient projects as follows:

28 (i) LIGHTING RETROFIT PROJECTS. 'Lighting retrofit project' means a lighting retrofit  
29 system that employs dual switching (ability to switch roughly half the lights off and  
30 still have fairly uniform light distribution), delamping, daylighting, relamping, or  
31 other controls or processes which reduce annual energy and power consumption by  
32 30 percent compared to the American Society of Heating, Refrigerating, and Air  
33 Conditioning Engineers 2004 standard (ASHRAE 90.1.2004); and

34 (ii) ENERGY EFFICIENT BUILDINGS. 'Energy efficient building' means for other than  
35 single-family residential property new or retrofitted buildings that are designed,  
36 constructed, and certified to exceed the standards set forth in the American Society  
37 of Heating, Refrigerating, and Air Conditioning Engineers 2004 standard (ASHRAE  
38 90.1.2004) by 30 percent; and

39 (D) Wind equipment required to capture and convert wind energy into electricity or  
40 mechanical power as well as related devices that may be required for converting,  
41 conditioning, and storing the electricity produced by wind equipment.

42 (4) 'Cost' means:

43 (A) In the case of clean energy property owned by a person, cost is the aggregate funds  
44 actually invested and expended by a person to put into service the clean energy  
45 property; and

46 (B) In the case of clean energy property a person leases from another, cost is eight  
47 times the net annual rental rate, which is the annual rental rate paid by the person less  
48 any annual rental rate received by the person from subrentals.

49 (5) 'Installation' means the year in which the clean energy property is put into service and  
50 becomes eligible for a grant allowed by this Code section.

51 (b)(1) The authority may issue a grant to any person for the construction, purchase, or  
52 lease of clean energy property that is placed into service in this state between the  
53 effective date of this Code section and December 31, 2012, subject to the provisions of  
54 this Code section.

55 (2) A person that receives a grant allowed under this Code section shall not be eligible  
56 to claim any tax credit under Code Section 48-7-29.14 or any other grant under this Code  
57 section with respect to the same clean energy property.

58 (3) A person shall not receive a grant allowed in this Code section for clean energy  
59 property the person leases from another unless such person obtains the lessor's written  
60 certification that the lessor will not receive a grant under this Code section or claim a  
61 credit under Code Section 48-7-29.14 with respect to the same clean energy property.

62 (4) Grants shall not be issued under this Code section except to effect participation in a  
63 federal government program which authorizes the use of federal funds for purposes of  
64 this Code section. In no event shall the total amount of grants allowed by this Code  
65 section exceed federal funds made available to the authority for such purposes. No funds  
66 derived from any other sources shall be granted under this Code section.

67 (5)(A) Any person seeking any grant provided for under this Code section shall submit  
68 an application to the authority for approval of such grant. The authority shall  
69 promulgate the forms on which the application is to be submitted. The authority shall  
70 review such application and shall approve such application upon determining that it  
71 meets the requirements of this Code section within 60 days after receiving such  
72 application, subject to availability of funds as provided by paragraph (4) of this  
73 subsection.

74 (B) To apply for a grant allowed by this Code section, the person shall provide any  
75 information required by the authority. Every person receiving a grant under this Code  
76 section shall maintain and make available for inspection by the authority any records  
77 that the authority considers necessary to determine and verify the amount of the grant  
78 to which the person is entitled. The burden of proving eligibility for a grant and the  
79 amount of the grant shall rest upon the applicant, and no grant shall be allowed to a  
80 person that fails to maintain adequate records or to make them available for inspection.

81 (C) The authority shall issue the grants on a first come, first served basis. In no event  
82 shall the aggregate amount of grants approved by the authority for all applicants under  
83 this Code section exceed the limitations specified in paragraph (4) of this subsection.

84 (6) Any grant allowed by paragraph (1) of this subsection shall not exceed the following  
85 amounts:

86 (A) For all types of clean energy property placed into service for any purpose other  
87 than single family residential, the grant allowed by this subsection shall not exceed the  
88 lesser of 35 percent of the cost of the clean energy property described in subparagraphs  
89 (a)(3)(A) through (a)(3)(C) of this Code section or the following grant amounts for any  
90 clean energy property:

91 (i) A ceiling of \$500,000.00 per installation applies to solar energy equipment for  
92 solar electric (photovoltaic), other solar thermal electric applications, and active space  
93 heating and wind equipment as described in subparagraphs (a)(3)(A) and (a)(3)(D),  
94 of this Code section;

95 (ii) The sum of \$100,000.00 per installation applies to clean energy property related  
96 to solar energy equipment for domestic water heating as described in subparagraph  
97 (a)(3)(A) of this Code section which is certified for performance by the Solar Rating  
98 Certification Corporation, Florida Solar Energy Center, or by a comparable entity

99 approved by the authority to have met the certification of Solar Rating Certification  
 100 Corporation OG-100 or Florida Solar Energy Center-GO-80 for solar thermal  
 101 collectors;

102 (iii) For Energy Star certified geothermal heat pump systems as described in  
 103 subparagraph (a)(3)(B) of this Code section, the sum of \$100,000.00;

104 (iv) For a lighting retrofit project as described in division (a)(3)(C)(i) of this Code  
 105 section, the sum of \$0.60 per square foot of the building with a maximum of  
 106 \$100,000.00; and

107 (v) For an energy efficient building as described in division (a)(3)(C)(ii) of this Code  
 108 section, the sum of the cost of energy efficient products installed during construction  
 109 at \$1.80 per square foot of the building, with a maximum of \$100,000.00; and

110 (B) The following ceilings apply to clean energy property placed in service for single  
 111 family residential purposes, the lesser of 35 percent of the cost or:

112 (i) The sum of \$2,500.00 per dwelling unit applies for clean energy property related  
 113 to solar energy equipment for domestic water heating as described in subparagraph  
 114 (a)(3)(A) of this Code section which is certified for performance by the Solar Rating  
 115 Certification Corporation, Florida Solar Energy Center, or by a comparable entity  
 116 approved by the authority to have met the certification of Solar Rating Certification  
 117 Corporation OG-100 or Florida Solar Energy Center-GO-80 for solar thermal  
 118 collectors, Solar Rating Certification Corporation certification OG-300 or Florida  
 119 Solar Energy Center-GP-5-80 for solar thermal residential systems, or both;

120 (ii) The sum of \$10,500.00 per dwelling unit applies for clean energy property related  
 121 to solar energy equipment for solar electric (photovoltaic), other solar thermal electric  
 122 applications, and active space heating as described in subparagraph (a)(3)(A) of this  
 123 Code section, or to wind as described in subparagraph (a)(3)(B) of this Code section;  
 124 and

125 (iii) The sum of \$2,000.00 per installation for Energy Star certified geothermal heat  
 126 pump systems applies as described in subparagraph (a)(3)(B) of this Code section.

127 (c) The authority shall be authorized to adopt rules and regulations to provide for the  
 128 administration of any grant provided by this Code section. Specifically, the authority shall  
 129 create a mechanism to track and report the status and availability of grants for the public  
 130 to review at a minimum on a quarterly basis.

131 (d) The authority shall provide an annual report of:

132 (1) The number of persons that claimed the grants allowed in this Code section;

133 (2) The cost of clean energy property with respect to which grants were issued;

134 (3) The type of clean energy property installed and the location;

135 (4) A determination of associated energy and economic benefits to the state; and

136 (5) The total amount of grants allowed."

137 **SECTION 2.**

138 This Act shall become effective 30 days after the date it is approved by the Governor or  
139 becomes law without such approval.

140 **SECTION 3.**

141 All laws and parts of laws in conflict with this Act are repealed.