To help reduce household energy burdens by expanding access to solar energy for low-income households.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 11, 2019

Ms. DUCKWORTH (for herself and Mr. BOOKER) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To help reduce household energy burdens by expanding access to solar energy for low-income households.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Low-Income Solar En-
ergy Act”.

SEC. 2. DEFINITIONS.

In this Act, the term “low-income”, used with respect to a household, means a household that is eligible for a payment under the Low-Income Home Energy Assistance
Act of 1981 (42 U.S.C. 8621 et seq.), in accordance with—

(1) section 2605(b)(2) of such Act (42 U.S.C. 8624(b)); and

(2) State eligibility guidelines (consistent with such Act) for that payment.

SEC. 3. LOW-INCOME HOME ENERGY ASSISTANCE.

(a) Authorization of Appropriations.—Section 2602 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621) is amended—

(1) in the first sentence of subsection (b), by striking “2607A),” and all that follows and inserting “2607A), $6,075,000,000 for fiscal year 2020 and each subsequent fiscal year.”; and

(2) in subsection (e), by striking “(e) of” and inserting “(f) of”.

(b) Reservation of Funds.—Section 2604 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following:

“(e)(1) Of the funds available to a State under subsection (a), a territory under subsection (b), or a tribal
organization or other entity under subsection (d), up to 25 percent may be reserved by the State, territory, or organization or entity, for solar projects for covered housing.

“(2) The Secretary shall expand the program funded under section 2602(b) to include such solar projects, and for purposes of this title shall consider—

“(A) the funds used for such projects to be assistance for home energy costs; and

“(B) the projects to be activities that provide assistance for home energy costs, rather than to residential weatherization or other energy-related home repair.

“(3) In determining whether to award, under that program, funding that includes a portion for a solar project to a State, territory, or tribal organization or entity, the Secretary shall use the application and request processes specified in this title, with such adjustments as the Secretary may specify in regulations.

“(4) The Secretary shall issue regulations and guidance for States, territories, and tribal organizations and entities, that receive funds under subsection (a), (b), or (d) (referred to individually in this subsection as a ‘covered recipient’), to—
“(A) define the solar projects that may be funded through the reserved funds described in paragraph (1);

“(B) specify the circumstances and process under which a covered recipient, with an arrangement with a particular type of local agency or organization to distribute assistance for home energy costs, may instead enter into an arrangement with a different local agency or organization with expertise in solar projects, for such projects; and

“(C) specify how a covered recipient may distribute such funds in a manner that usefully finances the work of solar project developers and solar panel installers for such projects.

“(5) Not later than 6 months after the date of enactment of the Low-Income Solar Energy Act, the Secretary shall—

“(A) evaluate whether community solar projects could be administered through the program carried out under this title; and

“(B) prepare and submit to Congress a report containing the evaluation.

“(6) In this section, the term ‘covered housing’ means federally assisted housing as defined in section 683 of the Housing and Community Development Act of 1992 (42
S. 2462 IS

U.S.C. 13641), and housing occupied by a low-income household, as defined in section 2 of the Low-Income Solar Energy Act.”.

(c) USE OF FUNDS.—Section 2605(b)(1)(A) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(1)(A)) is amended by inserting “, including the costs of solar projects for covered housing as defined in section 2604(e)” after “home energy costs”.

(d) CONFORMING AMENDMENT.—Section 2609 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8628) is amended by inserting “, or carrying out solar projects for covered housing or community solar projects under section 2604(e)” after “home repairs”.

SEC. 4. SOLAR FINANCING AND WORKFORCE TRAINING.

(a) DEFINITIONS.—In this section:

(1) COMMUNITY SOLAR PROJECT.—The term “community solar project” means a project for the renewable generation of energy through solar power that has multiple subscribers that receive benefits on utility bills that are directly attributable to the project.

(2) COMMUNITY SOLAR SUBSCRIPTION.—The term “community solar subscription” means ownership of a financial share in a community solar project that serves multiple consumers.
(3) ELIGIBLE ENTITY.—The term “eligible entity” means a developer or installer of solar equipment.

(4) ELIGIBLE HOUSEHOLD.—The term “eligible household” means a household that includes an eligible individual as defined in section 32(c)(1) of the Internal Revenue Code of 1986 for purposes of the credit under section 32 of that Code.

(5) INTERCONNECTION.—The term “interconnection” has the meaning given the term in section 111(d)(15) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)(15)).

(6) PROGRAM.—The term “program” means the solar financing program established under subsection (b)(1).

(7) SECRETARY.—The term “Secretary” means the Secretary of Energy.

(b) SOLAR FINANCING PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a solar financing program under which the Secretary shall offer a variety of financing mechanisms, including grants, loans, loan guarantees, and interest buy-downs, to support the deployment of solar projects for eligible households, in accordance with this subsection.
(2) Grants.—

(A) In general.—Under the program, the Secretary shall award grants to eligible entities for deploying residential solar projects or community solar projects—

(i) that benefit eligible households;

and

(ii) in which the tariff, net metering, bill credit, or other valuation of solar energy generation, or the sale of that solar generation by a third party, enables a savings-to-investment ratio of at least 1:1 for an eligible entity over a period of not more than 10 years.

(B) Use of funds.—An eligible entity that receives a grant under the program shall use the grant only to pay for—

(i) the cost and installation of solar equipment in buildings in which the dwelling units of eligible households are located, including the cost of materials, labor, and permitting;

(ii) repairs or upgrades to the buildings described in clause (i) that may be
needed to ensure that solar equipment is
installed in a safe manner; and

(iii) the cost of a community solar
subscription.

(3) **Solar Housing Loans.**—

(A) **In General.**—Under the program,
the Secretary shall provide loans at zero percent
interest—

(i) to owners of buildings—

(I) that receive assistance under
section 8(o) of the United States
Housing Act of 1937 (42 U.S.C.
1437f(o)); or

(II) with respect to which a cred-
it is allowable under section 42 of the
Internal Revenue Code of 1986 for
the taxable year in which the loan is
provided; and

(ii) for the purpose of—

(I) installing solar equipment
that benefits the dwelling unit of a
tenant;

(II) if necessary for the installa-
tion of solar equipment under sub-
clause (I), making any upgrade to the
building in which the dwelling unit is located; and

(III) covering the cost of a community solar subscription.

(B) SAVINGS.—

(i) IN GENERAL.—An owner of a building receiving a loan under this subsection shall—

(I) reduce the rent that each tenant described in clause (ii) is required to pay by an amount that is proportional to the savings obtained through any solar upgrades described in subparagraph (A); and

(II) enter into an affordability agreement with the Secretary to ensure that the rent of the tenant remains affordable for the duration of the tenancy.

(ii) TENANT DESCRIBED.—A tenant referred to in clause (i) is a low-income tenant occupying a dwelling unit in the building, which dwelling unit is affected by a solar upgrade described in subparagraph (A).
(C) GUIDANCE; REGULATION.—The Secretary shall—

(i) publish guidance on what constitutes a benefit to the dwelling unit of a tenant under subparagraph (A)(ii)(I); and

(ii) promulgate a regulation on the manner in which a community solar subscription under subparagraph (A)(ii)(III) shall be managed.

(c) COMMUNITY SOLAR PROJECTS.—The Secretary shall establish a program under which the Secretary shall make grants for community solar projects—

(1) to be used for costs associated with interconnection of the community solar project, including application fees, interconnection fees, engineering reviews, and other associated costs incurred during the interconnection process;

(2) to be used for costs associated with upgrades to a distribution system, if the distribution system requires service or new equipment to accommodate the installation of the community solar project; and

(3) led by nonprofit organizations to support the implementation of the projects for low-income households.
(d) MINORITY AND WOMAN-OWNED BUSINESSES.—

The Secretary shall, to the maximum extent practicable, contract with minority or women-owned businesses for the deployment of solar projects that are financed under this section.

(e) SOLAR WORKFORCE PROGRAM.—

(1) DEFINITIONS.—In this subsection:

(A) ELIGIBLE PARTICIPANT.—The term “eligible participant” means an individual who is a member of an underrepresented group, including—

(i) an individual who is a religious, racial, or ethnic minority;

(ii) a woman;

(iii) a veteran;

(iv) an individual with a disability;

(v) an unemployed energy worker;

(vi) an energy worker employed by a fossil fuel industry who is being transitioned away from that industry because of a State renewable program or Federal program, as determined by the Secretary;

(vii) a socioeconomically disadvantaged individual; and
(viii) a formerly incarcerated individual.

(B) LOCAL WORKFORCE DEVELOPMENT BOARD; STATE WORKFORCE DEVELOPMENT BOARD.—The terms “local workforce development board” and “State workforce development board” have the meanings given the terms “local board” and “State board”, respectively, in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102).

(C) PROGRAM PARTNER.—The term “program partner” means—

(i) a business;

(ii) an employer or industry association;

(iii) a labor management organization;

(iv) a local workforce development board or State workforce development board;

(v) a 2- or 4-year institution of higher education that offers an educational program leading to an associate’s or bachelor’s degree in conjunction with a certificate of completion of an apprenticeship or other training program;
(vi) the Armed Forces (including the National Guard and the Army Reserve);
(vii) a nonprofit organization;
(viii) a community-based organization; and
(ix) an economic development agency.

(2) Establishment.—The Secretary shall establish a solar workforce program to assist eligible participants in pursuing careers in the solar energy industry, including as—

(A) solar photovoltaic system installers;
(B) solar technicians;
(C) electrical system inspectors; and
(D) other professionals in the solar industry, as determined by the Secretary.

(3) Courses.—In carrying out the program established under paragraph (2), the Secretary shall create courses or seek to administer existing courses that provide—

(A) job training, including through internships and work-based training in accordance with paragraph (4);
(B) employment skills training; and
(C) comprehensive support services that—
(i) enhance the training experience and promote the professional development of participants; and

(ii) help participants transition into the workforce.

(4) COURSE PARTNERS.—To the maximum extent practicable, the Secretary shall partner with program partners to provide internships and work-based training as part of the job training offered under paragraph (3)(A).

(5) EXAM REQUIREMENT.—As a requirement for completing a course under paragraph (3), the Secretary shall require each participant in the course to earn an applicable industry-recognized entry-level certificate or other credential, as determined by the Secretary.

(f) GUARANTEE OF LOANS FOR ACQUISITION OF PROPERTY.—Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308) is amended by striking “or (6)” and inserting “(6) the installation of solar energy equipment; or (7)”.

(g) POWER PURCHASE AGREEMENTS FOR PUBLIC HOUSING AGENCIES.—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following:
“(u) Power Purchase Agreements.—

“(1) In general.—Each contract for contributions for a public housing agency shall provide that the agency may enter into third-party power purchase agreements with third-party providers for a period of not more than 20 years, in addition to a 2-year option period, for the installation of solar energy equipment in public housing projects.

“(2) Utilities.—With respect to tenant-paid utilities, any solar rate savings from a power purchase agreement that may result in rebates to a family shall not be used in the calculation of lower utility allowances for the family that results in an increase in the rent paid by the family.”.

(h) Authorization of Appropriations.—There is authorized to be appropriated to the Secretary to carry out this section and the amendments made by this section $240,000,000 for each of fiscal years 2020 through 2024.

SEC. 5. Rulemaking relating to utility allowances.

(a) Definitions.—In this section, the term “covered housing” means—

(1) public housing, as defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)); and
(2) tenant-based assistance provided under section 8(o) of such Act (42 U.S.C. 1437f(o)).

(b) RULEMAKING.—The Department of Housing and Urban Development shall promulgate regulations to provide that, with respect to covered housing, any solar rate savings for a dwelling unit that is associated with this Act or an amendment made by this Act shall not be used in the calculation of lower utility allowances for a family that results in an increase in the rent paid by the family.