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HOUSE BILL NO. 1086

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Appropriations
on February 11, 2000)

(Patron Prior to Substitute—Delegate Grayson)

*A BILL to amend and reenact § 45.1-392 of the Code of Virginia, relating to the Solar Photovoltaic Manufacturing Incentive Grant Program.***Be it enacted by the General Assembly of Virginia:****1. That § 45.1-392 of the Code of Virginia is amended and reenacted as follows:**

§ 45.1-392. Solar Photovoltaic Manufacturing Incentive Grant Program.

A. Any manufacturer commencing eligible sales during calendar year 1995 who, from January 1, 1995, through December 31, 1999, sells solar photovoltaic panels it manufactured in Virginia shall be entitled to receive an annual solar photovoltaic manufacturing incentive grant in an amount of seventy-five cents per watt of the rated capacity of panels sold in a calendar year. The grants shall be paid from a fund to be entitled the Solar Photovoltaic Manufacturing Incentive Grant Fund (the "Fund").

B. Any manufacturer commencing eligible sales at any time subsequent to December 31, 1995, and who, from January 1, 1996, through December 31, 2001, sells solar photovoltaic panels it manufactured in Virginia shall be entitled to receive an annual solar photovoltaic manufacturing incentive grant in an amount up to seventy-five cents per watt of the rated capacity of panels sold in a calendar year. The grants shall be paid from the Fund. No manufacturer shall be eligible to receive grants *pursuant to this subsection* for more than five years.

C. In the event applications for grants *pursuant to subsections A and B* exceed six million watts per calendar year, the grant payments will be apportioned among the eligible applicants, based upon the total wattage evidenced by such applicants, the amount per watt the applicant is eligible to receive, and the total wattage eligible for grants specified in this section.

D. Any entity that (i) commences the manufacture of solar photovoltaic panels in the Commonwealth on or after January 1, 2002, or (ii) expands its manufacture of such panels in the Commonwealth by at least fifty percent above the baseline production level of six million watts, makes a capital investment of at least twenty-five million dollars in new plant or equipment, and employs at least 230 full-time employees, shall be entitled to receive an annual solar photovoltaic manufacturing incentive grant for six years. The amount of the grant shall be based on the watts of the rated capacity of panels sold annually that were manufactured in the Commonwealth, as follows:

Years	Rate
Years 1 and 2	\$0.75/watt
Years 3 and 4	\$0.50/watt
Years 5 and 6	\$0.25/watt

For manufacturers that are eligible based solely on their expansion of existing production capacity, the grant shall be based solely on the additional watts of the rated capacity of panels sold as a direct result of the expansion.

If a manufacturer that is eligible based solely on its expansion of existing production capacity makes an additional investment of at least seventy million dollars in plant and equipment and employs at least 430 full-time employees by December 31, 2004, the grant payment shall remain at an amount of seventy-five cents per watt of the rated capacity of panels sold in Years Three and Four. If such manufacturer achieves an additional investment of at least \$140 million in plant and equipment and employs at least 930 full-time employees by December 31, 2007, the grant payment shall remain at an amount of seventy-five cents per watt of the rated capacity of panels sold in Years Five and Six.

E. In the event that applications for grants pursuant to subsection D exceed six million watts per calendar year, the grant payments will be apportioned among the eligible applicants, based upon the total wattage evidenced by such applicants, the amount per watt the applicant is eligible to receive, and the total wattage eligible for grants. Any such grant shall be offset by the amount of any grant awarded pursuant to § 2.1-51.6:5 to the locality in which the manufacturer is located.

DF. Any manufacturer entitled to apply for a grant pursuant to this section shall provide evidence, satisfactory to the Director, of manufacturing such panels in Virginia, the sale of such solar photovoltaic panels, and the wattage sold per year. The reports of manufacturing and sales shall be filed no later than

59 March 31 following the calendar year in which the sales eligible for the grant were made. Failure to
60 meet the filing deadline shall render the applicant ineligible to receive a grant. The postmark
61 cancellation shall govern the date of the filing determination unless the Director has approved an
62 alternative means of filing.

63 ~~EG.~~ The Director shall certify to the Comptroller the amount of grant a manufacturer of solar
64 photovoltaic panels is eligible to receive in a given calendar year. Payments shall be paid by check
65 issued by the Treasurer of Virginia on warrant of the Comptroller.

66 ~~FH.~~ The Director, upon presenting appropriate credentials, may examine the records, books, invoices,
67 bills of lading, storage and production facilities and other applicable documents to determine whether the
68 manufacturing and sale of the photovoltaic panels meet the requirements for grants as set forth in this
69 section.

70 **2. That the Division of Energy of the Department of Mines, Minerals and Energy shall revise its**
71 **guidelines for photovoltaic manufacturing incentive grants to include the grants provided by this**
72 **act.**