Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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Bill Number: SB659 ER **Patron:** New Craig
Bill Title: Solar Interconnection Grant Fund and Program established; report; sunset.

Bill Summary: Establishes the Solar Interconnection Grant Program for the purpose of awarding grants on a competitive basis to public bodies to offset costs associated with the interconnection of solar facilities to the grid. The Program is administered by the Division of Renewable Energy and Energy Efficiency of the Department of Energy. The bill requires that priority be given to solar facilities located on previously developed project sites and requires the Division to establish and publish guidelines and criteria for the awarding of grants and general requirements of the Program. The bill has an expiration date of July 1, 2027, and is a recommendation of the Commission on Electric Utility Regulation.

Budget Amendment Necessary: Yes **Items Impacted:** 109 SB30
Explanation: An amendment is needed to capitalize the program. Additional resources may be necessary for the Department of Energy to administer the program.

Fiscal Summary: If the program is to be capitalized, it is anticipated that a budget amendment is needed. Additionally, it is anticipated that this bill may result in a $150,000 general fund expenditure impact to Energy.

Fiscal Analysis: The bill establishes the Solar Interconnection Grant Program within the Department of Energy, provides direction on the allocation of funds, and requires an annual report. The bill expires on July 1, 2027.

Energy would be required to administer the program, which includes creating and sharing clear rules, guidelines, and criteria to determine who qualifies for the grants and how the funds are distributed. The agency estimates that the workload associated with administering the program would be equivalent to one full time employee, resulting in an expense of $150,000. The bill does not specify whether funds provided for the program may include administration.

Amendments to HB 30 approved by the House provide $2 million for this program and language allowing Energy to retain up to 15 percent of program funds for administration. Amendments to SB 30 as approved by the Senate also provide $2 million for the program, but do not specify an administrative allowance.

Other: This bill is the companion to HB 683.