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# VIRGINIA STATE BUDGET

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2021 Special Session I

## Budget Bill - HB1800 (Chapter 552)

Bill Order » Office of Commerce and Trade » Item 125

Department of Mines, Minerals and Energy

Item 125	First Year - FY2021	Second Year - FY2022
<b>Resource Management Research, Planning, and Coordination (50700)</b>	<b>\$3,689,051</b>	<b><del>\$3,689,051</del> \$4,226,173</b>
Energy Conservation and Alternative Energy Supply Programs (50705)	\$3,689,051	<del>\$3,689,051</del> \$4,226,173
Fund Sources:		
General	\$1,541,505	<del>\$1,541,505</del> \$2,078,627
Special	\$103,871	\$103,871
Federal Trust	\$2,043,675	\$2,043,675

Authority: Title 45.1, Chapter 26, Code of Virginia.

A. Out of this appropriation, \$38,362 the first year and \$38,362 the second year from the general fund shall be provided for dues and expenses for the Southern States Energy Board.

B. To defray the costs of implementing the Virginia Energy Management Program, the Department of Mines, Minerals and Energy is authorized to have included in state fuel oil, natural gas, electricity, and similar energy contracts a provision for suppliers to collect from using agencies and remit to the department an administrative surcharge. The surcharge shall reflect the department's actual costs to administer the program. Additionally, the department is authorized, consistent with federal funding rules, to distribute energy-related federal funds as grants or as loans to other state or nonstate agencies for use in financing energy-related projects, and to recover from the recipient an administrative service charge to recover the department's costs of administering such grant or loan programs.

C. Out of this appropriation, \$137,000 the first year and \$137,000 the second year from the general fund is provided to support one position within the Division of Energy to assist localities with siting, procurement, land use concerns, and other solar energy-related issues.

D. Out of this appropriation, \$387,500 the first year and \$387,500 the second year from the general fund is provided to establish the Office of Offshore Wind to coordinate state agency activities to develop and execute strategies that reduce barriers for deployment of offshore wind and attract offshore wind supply chain businesses for Virginia's benefit, promote Virginia's infrastructure and workforce development assets, work with public and private sector partners to make Virginia a regional hub for offshore wind, and to provide staff support for the Virginia Offshore Wind Development Authority.

*E. The Department of Mines, Minerals, and Energy (DMME) shall establish a work group to determine the feasibility and approach of creating a Virginia R-PACE program. The R-PACE work group shall assess the status and readiness of Federal regulations to support an R-PACE program; determine market interest, size, and potential volume for a Virginia R-PACE program; recommend draft legislation to facilitate program implementation and*

*administration; and develop draft guidelines governing R-PACE loans in Virginia. DMME shall at least include the following stakeholders: the Virginia PACE Authority; the Virginia Bankers Association and other mortgage originators; the Virginia Realtors Association; PACE capital financing institution representative; solar energy contractor; and a representative of the homebuilding industry. Additionally, the R-PACE work group shall solicit and evaluate written public comments. The Department shall provide a report detailing its findings and recommendations to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees no later than December 1, 2021.*