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State Solar Energy Legislation of 1976: A Review of Statutes Relating to Buildings

Robert M. Eisenhard

Office of Building Standards and Codes Services
Center for Building Technology
Institute for Applied Technology
National Bureau of Standards
Washington, D.C. 20234

September 1977

Prepared for

**Energy Research and Development Administration
Division of Solar Energy
Washington, D.C. 20545**

and

**Department of Housing and Urban Development
Office of Policy Development and Research
Division of Energy, Building Technology and Standards
Washington, D.C. 20410**

MASTER

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U.S. DEPARTMENT OF COMMERCE, Juanita M. Kreps, *Secretary*

Dr. Sidney Harman, *Under Secretary*

Jordan J. Baruch, *Assistant Secretary for Science and Technology*

NATIONAL BUREAU OF STANDARDS, Ernest Ambler, *Acting Director*

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Abstract

This report reviews State legislation on solar energy use in buildings enacted in 1976. Acts involve tax incentives for the installation of solar devices, support for the proposed Solar Energy Research Institute called for in Public Law 93-473, solar standards, State energy offices, studies, building requirements and solar projects. The Acts are identified and abstracted and responsible State officials listed. The Acts, as well as supporting forms and other information, are included in the appendixes.

Keywords: Architecture; buildings; design; energy; legislation; solar; standards; State.

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1. Background

Utilization of solar energy continued to capture the interest of State legislatures during 1976. In 1975, 120 bills dealing with the application of solar energy in buildings were introduced.^{1/} In 1976, this number of bills increased to 150. Of these, 44 bills were enacted into law or were adopted as resolutions. The passage rate (29%) in 1976, was seven percent higher than in 1975 (22%). This was perhaps due to the fact that in many States the bills had been reviewed in 1975 and were improved or the perceived need for enactment was greater.

A number of observations can be made to justify the interest in solar applications as an energy supply. The use of solar energy is viewed as an alternative fuel source to help offset rising utility costs from non-renewable resources such as natural gas and oil. Solar heating and cooling will be available in the event of fossil fuel curtailment. The national objectives of energy self-sufficiency and utilization of renewable resources can be assisted. As compared to other major energy resources, solar energy probably causes the least environmental degradation. Transportation or transmission costs are negligible. And as an ultimate, safe, endless energy supply, solar energy appears to be the most technically feasible and likely to be obtained. The foregoing factors provide a backdrop for the legislative interest developed in the solar related legislation in 1976.

2. Purpose and Scope

This report provides detailed information on 44 Acts enacted by State legislatures in 1976. Many sources were contacted to obtain information on bills which contained building-related solar programs or which reflected interest in the development of solar energy as a building energy source. The National Conference of State Legislatures and the National Solar Heating and Cooling Information Center, as well as a large number of State building, energy, tax and legislative reference agencies, were most cooperative in supplying information and identifying Acts that might be included. Nevertheless, it is possible that some significant legislation may have been overlooked in the search.

Some significant State solar programs are being developed under general authority not particularly related to specific new legislation. As an example, the total number of laws on the development of solar standards does not necessarily equal all possible authority for such work. Activity in this area can come from general energy agency authority, as well

^{1/} For a review of 1975 State solar energy Acts relating to buildings, see Eisenhard, Robert M., National Bureau of Standards, "A Survey of State Legislation Relating to Solar Energy," NBSIR 76-1082, April 1976.

as building regulatory authority. It should also be noted that nearly all States now have some type of energy agency in operation although scope, programs, staff, funding and responsibilities vary greatly among the States.^{2/} The States mentioned in this report represent only those which enacted solar energy legislation.

3. Legislative Summary

The Acts referenced in this publication fall into numerous categories. A large percentage deal with tax incentives and the location of the Solar Energy Research Institute. Several Acts establish energy offices in the respective States or mandate the development of solar energy standards.

Acts relating to a tax incentive for the installation and utilization of solar devices accounted for 15 pieces of legislation passed by 12 States.

Two State Acts (Figure 1), Georgia HB 1480 (Substitute) and Michigan HB 4137, provided sales tax relief for solar equipment. Michigan HB 4138 provides a tax exemption for tangible property such as solar collectors.

Five States (Figure 1) provided an income tax break for the cost of a solar system. California SB 218 allows a tax credit of 10% of the cost of the system or \$1,000, whichever is less, for the year of purchase. Hawaii SB 2467 allows a tax credit of 10% of the cost of the solar device. If this credit exceeds tax liability, it may be carried forward. Idaho HB 468 provides for a subtraction from taxable income of 40% of the cost of the device the first year and 20% for each of three succeeding years. Kansas HB 2969 allows an income tax credit for the individual taxpayer of 25% of the cost of the system or \$1,000, whichever is less, and a tax credit of 25% or \$3,000 for a business or income-producing property. Massachusetts SB 1664 provides a corporate deduction from taxable income for the cost of installing a solar system. Arizona HB 2067 reduces the period of amortization of a solar system from 60 to 36 months.

Seven States (Figure 2) passed laws establishing a real property tax exemption for the installation of solar devices. Five of these Acts specified that municipalities may provide this tax exemption. These Acts are, Connecticut SB 652 (Substitute), Georgia SR 284, Maryland HB 1222, Vermont HB 206, and Virginia HJR 10. The Georgia and Virginia actions involved a Constitutional amendment approved by the voters in November 1976. Hawaii SB 2467 and Michigan HB 4139 provide real property tax exemptions without the need for local action.

Twelve Acts or Resolutions passed in nine States (Figure 3) involve the potential location of the Solar Energy Research Institute in the respective State.^{3/} They are as follows:

^{2/} For a review of building energy conservation programs of 21 States, see Cooke, Patrick W. and Eisenhard, Robert M., National Bureau of Standards, "Building Energy Conservation Programs -- A Preliminary Examination of Regulatory Activities at the State Level," NBSIR 77-1259, June 1977.

^{3/} The Solar Energy Research Institute, A Federal laboratory as provided for in the Solar Energy Research, Development, and Demonstration Act of 1974, PL 93-473, October 26, 1974.

Arizona SJR 1002	Michigan HB 5893
Arizona HB 2067	Minnesota HF 2688
Arizona SB 1057	Nebraska LR 104
Colorado HB 1259	New Jersey ACR 162
Colorado HJR 1034	New Mexico HB 8 (Special Session)
Massachusetts HB 5155	Vermont JRS 35

These Acts and Resolutions range from pledges of support, to funding for study and preparation of proposals, and the provision of appropriate land or facilities.

Solar standards development (Figure 4) is called for in Connecticut SB 652 (Substitute), Florida HB 776, and Minnesota HF 500.

Energy offices with specific solar energy authority or broadly responsible for "alternate" or "renewable" energy resources were established by Georgia HB 1698 (Substitute), Kentucky HB 499, New York SB 9715-A, and Washington SB 3172 (Substitute).

Acts or Resolutions providing for study of solar energy utilization are Arkansas HR 86 and Maryland HJR 48. Rhode Island SB 2465 extends the life of the State Energy Technology Study Commission.

In California, Senate Constitutional Amendment #45 and SB 1524 both relate to State loans for solar installations. Both failed to get voter approval in the November 1976 election.

California AB 2740 allows a city or county to require certain roof pitches and directional alignments to accommodate installation of solar devices.

Arizona HB 2018 provides \$38,500 for the operation of the Solar Energy Research Commission and \$22,350 for initiation of solar projects in the State. California AB 3833 permits the Energy Resources Conservation and Development Commission to participate in large-scale demonstration projects of alternate energy systems. California AB 4032 provides that a public utility may be allowed a rate of return one-half of one percent higher on capitol investment projects designed to produce energy from renewable resources or on experimental projects. Arizona HB 2050 allows the Solar Energy Research Commission to prepare and sell solar energy publications. Massachusetts SB 1418 requires life-cycle cost estimates for various systems including those utilizing solar and wind energy, for new State buildings and major additions. Colorado HB 1206 requires life-cycle cost analysis, prior to construction, for State-owned or State-assisted facilities including analysis of energy consumption and comparison of two or more system alternatives.

4. State Legislative Review

Data for each Act include the chapter number in the laws of 1976, the approval and effective dates, a brief abstract, and the legal citation. To allow future access to detailed information on program development or legislative effectiveness, the State agency and name of the State official are listed. Forms used to implement the law and additional information, whenever available, also are listed.

Arizona	<u>Page</u>	Maryland	<u>Page</u>
SB 1057 . . .	10	HB 1222 . . .	34
HB 2018 . . .	11	HJR 48 . . .	35
HB 2050 . . .	12		
HB 2067 . . .	13	Massachusetts	
SJR 1002 . .	14	SB 1418 . . .	36
		SB 1664 . . .	37
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		Michigan	
California		HB 4137 . . .	39
SB 218 . . .	16	HB 4138 . . .	40
AB 1524 . . .	17	HB 4139 . . .	41
AB 2740 . . .	18	HB 5893 . . .	42
AB 3833 . . .	19		
AB 4032 . . .	20	Minnesota	
SCA 45 . . .	21	HF 500 . . .	43
		HF 2688 . . .	44
Colorado			
HB 1206 . . .	22	Nebraska	
HB 1259 . . .	23	LR 104 . . .	45
HJR 1034 . .	24		
		New Jersey	
Connecticut		ACR 167 . . .	46
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		New Mexico	
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HB 776 . . .	26		
		New York	
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HB 1480(Substitute)	27		
HB 1698 . . .	28	Rhode Island	
SR 284 . . .	29	SB 2465 . . .	49
Hawaii		Vermont	
SB 2467 . . .	30	HB 206 . . .	50
		JRS 35 . . .	51
Idaho			
HB 468 . . .	31	Virginia	
		HJR 10 . . .	52
Kansas			
HB 2969 . . .	32	Washington	
		SB 3172 (Substitute).	53
Kentucky			
HB 499 . . .	33		

Key to Legislative Abbreviations

SB - Senate Bill
AB - Assembly Bill
HB - House Bill
HF - House File
SR - Senate Resolution
SJR or JRS - Senate Joint Resolution
SCA - Senate Constitutional Amendment
HR - House Resolution
HJR - House Joint Resolution
LR - Legislative Resolution (Unicameral legislature)
ACR - Assembly Concurrent Resolution

Definitions

A bill is a form or draft of a proposed statute presented to a legislature. Bills may be proposed in any body of the legislature, such as the Senate, House, or Assembly. A bill is termed a "House Bill" or "Senate Bill" depending on the legislative body which originally proposed the statute. The term "Assembly" is equivalent to the term "House." Some States use the term "file" for bill. Joint resolutions are processed similarly to bills and become law in the same manner. As with bills, the House or Senate designation indicates the place of origin. Concurrent resolutions affect the operations of both Houses and normally are not legislative. Concurrent resolutions are used to express facts, principles, opinions and purposes of the body. Upon passage, they are published but normally do not receive Executive action. Simple resolutions affect the operation of one legislative body and are preceded by the designation of the body involved. If passed, they are published in an appropriate document. Each State's use of the numerous terms may vary.

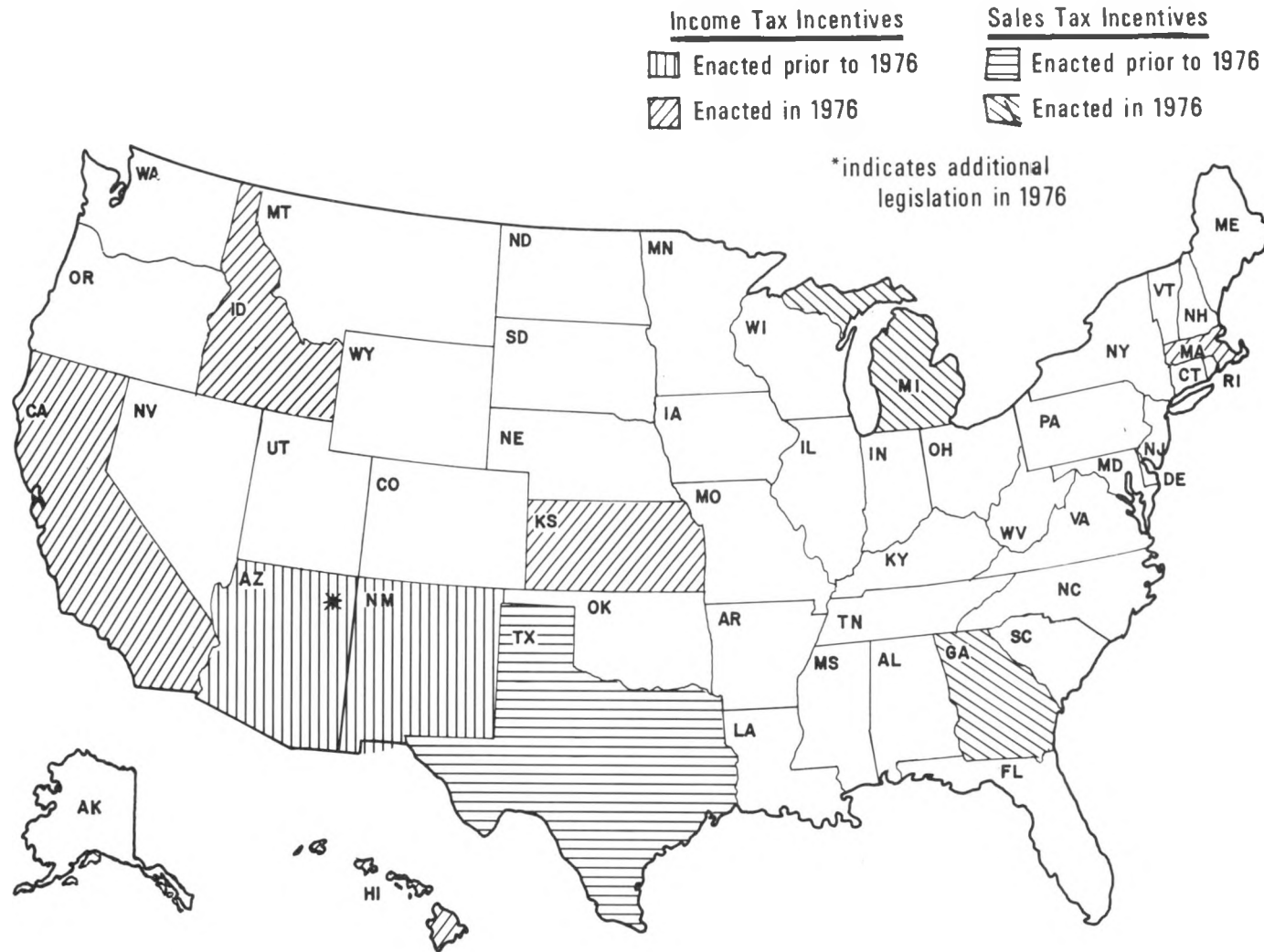


FIGURE 1

States with acts providing for income or sales tax incentives for use of solar energy in buildings.

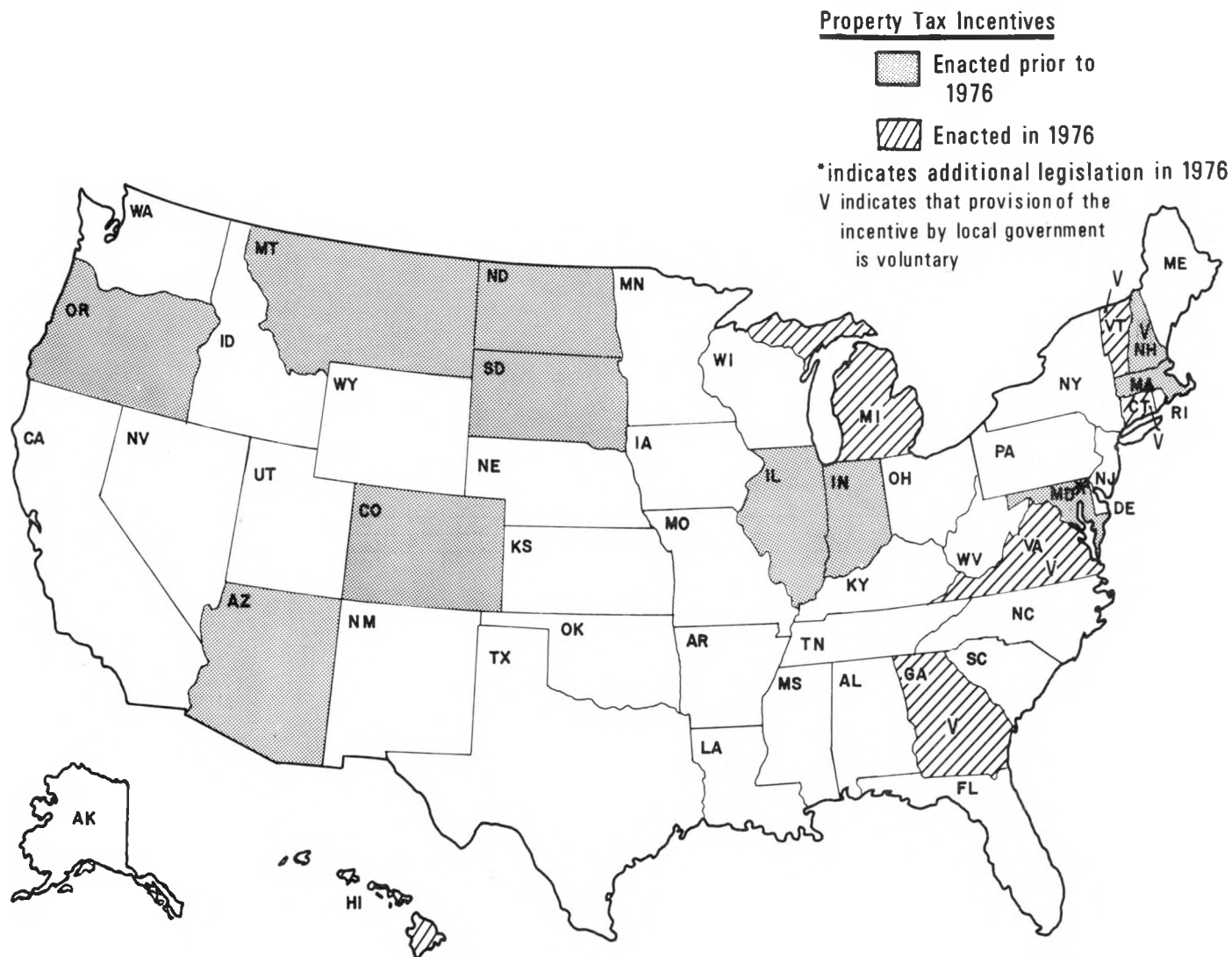


FIGURE 2

States with acts providing for property tax incentives for use of solar energy in buildings.

State R & D and Solar
Promotion or Investigation

■ Enacted prior to 1976

▨ Enacted in 1976 (including SERI promotion)

* indicates additional legislation
in 1976

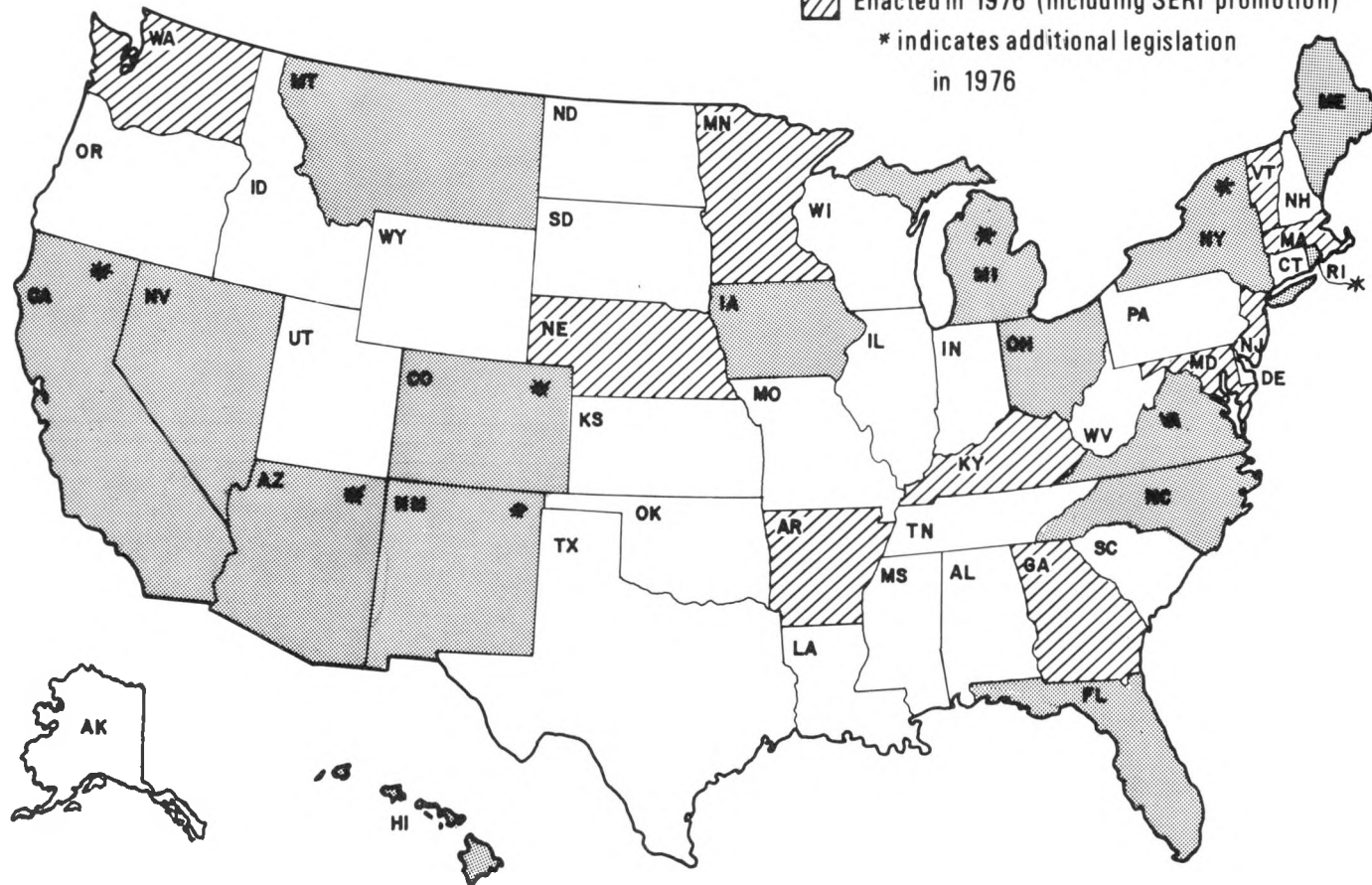


FIGURE 3

States with acts providing support of research, development, promotion,
or investigation of solar energy.

ARIZONA

SB 1057

Chapter 156

Approval Date: June 27, 1976

Effective Date: September 23, 1976

ABSTRACT

This Act, in Section 6, transfers 300 acres at the Arizona State Experimental Farm to ERDA for the Solar Energy Research Institute if it is located in Arizona.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

Rudy E. Campbell, President
Board of Regents
1730 South Jen Tilly Lane #D
Tempe, Arizona 85281
(602) 967-7535

FORMS OF OTHER DOCUMENTS

None

ARIZONA

HB 2018

Chapter 3

Approval Date: March 19, 1976

Effective Date: March 19, 1976

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ABSTRACT

This Act appropriates \$38,500 for the Solar Energy Research Commission through the fiscal year ending June 30, 1976. Also appropriated is \$22,300 for initiation of major solar energy projects within the State.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

Dr. Robert M. Handy
Executive Director
Solar Energy Research Commission
Capitol Tower, Room 502
1700 W. Washington
Phoenix, Arizona 85007
(602) 271-3682

FORMS OR OTHER DOCUMENTS

None

ARIZONA

HB 2050

Chapter 12

Approval Date: April 20, 1976

Effective Date: September 23, 1976

ABSTRACT

This Act permits the Solar Energy Research Commission to prepare or have prepared publications relating to solar energy and to sell such publications at a price sufficient to cover the cost of their printing and binding.

LEGAL CITATION

Title 41, Chapter 3, Article 6 of the Arizona Revised Statutes is amended by adding section 41-575.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Dr. Robert M. Handy
Executive Director
Solar Energy Research Commission
Capitol Tower, Room 502
1700 W. Washington
Phoenix, Arizona 85007
(602) 271-3682

FORMS OR OTHER DOCUMENTS

Publications of the Solar Energy Research Commission.

ARIZONA

HB 2067

Chapter 129

Approval Date: June 27, 1976

Effective Date: June 27, 1976

ABSTRACT

This Act reduces the amortization period of solar devices from sixty to thirty-six months as it affects computation of net income for tax purposes. The solar device may be part of a residential, commercial, industrial or governmental installation designed to produce heat or electricity. [See Chapter 93, (Senate Bill 1011) of 1975.] The Act also appropriates \$250,000 to the Solar Energy Research Commission to defray costs of locating the Solar Energy Research Institute in Arizona.

LEGAL CITATION

This Act amends Section 43-123.37 of the Arizona Revised Statutes.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Neal Trasente, Director
Department of Revenue
Capitol Building - West Wing
Phoenix, Arizona 85007
(602) 271-3393

FORMS OR OTHER DOCUMENTS

Questions and Answers sheet.

ADDITIONAL INFORMATION

Use Miscellaneous Section on itemized deduction tax form.

ARIZONA

SJR 1002

Approval Date: May 22, 1976

Effective Date: September 23, 1976

ABSTRACT

This Resolution pledges the support of the Arizona Legislature for the establishment of the Solar Energy Research Institute in Arizona. The pledge includes State-owned land, resources at State education institutions and start-up assistance.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

Dr. Robert M. Handy
Executive Director
Solar Energy Research Commission
Capitol Tower, Room 502
1700 W. Washington
Phoenix, Arizona 85007
(602) 271-3682

FORMS OR OTHER DOCUMENTS

None

ARKANSAS

HR 86

Approval Date: January 27, 1976

Effective Date: January 27, 1976

ABSTRACT

This Resolution provides for the appointment of a three-member committee from the House of Representatives to study the feasibility of legislation to grant tax exemption and other incentives for the use of solar energy systems by the residents of the State.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

J. B. Smith, Chairman
House Solar Energy Committee
Box 648
Marianna, Arkansas 72360
(501) 295-2588

FORMS OR OTHER DOCUMENTS

None

CALIFORNIA

SB 218

Chapter 168

Approval Date: May 20, 1976

Effective Date: May 20, 1976

ABSTRACT

This Act allows an individual or a corporation to deduct 10% of the installation cost of a solar energy device or \$1,000, whichever is less, from net income tax. The tax deduction applies to devices designed to produce heat or electricity. The Act will expire in five years.

LEGAL CITATION

This Act amends Section 17055, repeals and replaces Section 17052.5 and repeals and replaces Chapter 3.5 (commencing with Section 23601) of Part II of Division 2 of the Revenue and Taxation Code.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Martin Huff, Executive Director
Franchise Tax Board
Post Office Box 1468
Sacramento, California 95807
(916) 445-0408

FORMS OR OTHER DOCUMENTS

1. Form 3805L, "Statement to Support Solar Energy Credit."
2. "540 Individual Income Tax 1976," page 3, Solar Energy Tax Credit.
3. Form 540, "Individual California Income Tax," Part V, line 67.

CALIFORNIA

SB 1524

Chapter 264

Approval Date: June 25, 1976

Effective Date: The Act did not become effective since it did not receive a majority of affirmative votes in the general election of November 2, 1976. It was identified on the ballot as Proposition 3 and included \$25 million for loans.

ABSTRACT

This Act authorizes the Energy Resources, Conservation and Development Commission to make loans for financing residential energy insulation and residential solar heating and cooling systems and to finance informational and educational programs. The loans would be made from funds provided by the sale of State issued bonds. The bond issue was to be voted on by the electorate at the 1976 general election. Without approval of the bonds, the law would not become operative.

LEGAL CITATION

This Act adds Chapter 5.2 (commencing with Section 25410) to Division 15 of the Public Resources Code.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Richard L. Maullin, Chairman
Energy Resources Conservation and Development Commission
111 Howe Avenue
Sacramento, California 95825
(916) 322-3690

FORMS OR OTHER DOCUMENTS

None

CALIFORNIA

AB 2740

Chapter 670

Approval Date: August 27, 1976

Effective Date: January 1, 1977

ABSTRACT

This Act authorizes any city or county to require new buildings subject to the State Housing Law to be constructed to permit installation of solar devices. Specifically mentioned as items subject to regulation are roof pitches and alignments, which will maximize efficiency for the collection of solar energy.

LEGAL CITATION

This Act adds Section 17959 to the Health and Safety Code.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Xavier Mendoza, Chief
Division of Codes and Standards
Department of Housing and Community Development
921 10th Street
Sacramento, California 95814
(916) 445-9471

FORMS OR OTHER DOCUMENTS

None

CALIFORNIA

AB 3833

Chapter 664

Approval Date: August 27, 1976

Effective Date: January 1, 1977

ABSTRACT

This Act authorizes the Energy Resources Conservation and Development Commission to participate in large-scale demonstrations of alternative energy systems sited in California in cooperation with Federal agencies, regional compacts, other State governments and other participants. Alternative energy sources include geothermal and solar. Not more than one-half of the Commission's appropriated research and development funds shall be expended for large-scale demonstration of alternative energy systems.

LEGAL CITATION

This Act amends Section 25600 of the Public Resources Code.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Richard L. Maullin, Chairman
Energy Resources Conservation and Development Commission
111 Howe Avenue
Sacramento, California 95825
(916) 322-3690

FORMS OR OTHER DOCUMENTS

None

CALIFORNIA

AB 4032

Chapter 835

Approval Date: September 8, 1976

Effective Date: January 1, 1977

ABSTRACT

This Act provides that a public utility may be allowed a rate of return from one-half to one percent higher on capital investment in projects designed to produce energy from renewable resources. This includes solar, geothermal, wind, or hydroelectric resources which will result in lower costs over the system's life than existing systems utilizing atomic energy, fossil fuels or natural gas. It also allows a higher rate of return for experimental projects reasonably designed to improve or perfect technology to generate energy from renewable resources or reduce environmental pollution.

LEGAL CITATION

This Act amends Section 454 of the Public Utilities Code.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Robert Batinovich, Chairman
Public Utilities Commission
350 McAllister Street
San Francisco, California 94102
(415) 557-3703

FORMS OR OTHER DOCUMENTS

None

CALIFORNIA

Senate Constitutional Amendment No. 45

Resolution Chapter 61

Approval Date: Enrolled to Secretary of State, June 24, 1976.

Effective Date: This proposed Constitutional Amendment was placed on the
November 2, 1976, ballot as Proposition 12 and was defeated.

ABSTRACT

This proposed Constitutional amendment would expressly authorize the Legislature to provide a program of State loans for financing installation of energy insulation or solar heating or cooling systems in residential structures, and would allow loans to bear interest at less than prevailing market rates.

LEGAL CITATION

If approved by the voters, this Constitutional amendment would have added Section 12 to Article XVI of the Constitution.

RESPONSIBLE STATE AGENCY AND OFFICIAL

None

FORMS OR OTHER DOCUMENTS

None

COLORADO

HB 1206

Chapter 116, Session Laws of Colorado 1976

Approval Date: April 30, 1976

Effective Date: January 1, 1977

ABSTRACT

This Act requires that life-cycle cost analysis and energy conservation practices are to be employed in all new or renovated major State-owned or assisted facilities. Analysis shall include such items as positioning the facility on its physical site, the amount and type of fenestration, thermal performance and efficiency, illumination levels, the comparison of two or more alternative energy systems and the initial and annual operating costs of energy consuming systems.

LEGAL CITATION

This Act amends Article 37 of title 24, Colorado Revised Statutes 1973, as amended, by the addition of Sections 24-37-100.2 and 100.3 and sections 24-37-103, 24-37-104 and 24-37-107.

RESPONSIBLE STATE AGENCY AND OFFICIAL

David Foote, Executive Director
Office of State Planning and Budgeting
State Services Bldg. Rm 617
1525 Sherman
Denver, Colorado 80203
(303) 892-3386

FORMS AND OTHER DOCUMENTS

Guidelines and examples of life cycle cost analysis are available from Jack Wetzner (303) 892-2626 at the Agency noted above.

COLORADO

HB 1259

Chapter 20, Sessions Laws of Colorado 1976

Approval Date: May 4, 1976

Effective Date: May 4, 1976

ABSTRACT

This Act appropriates \$40,500 to the Office of the Governor for studying the feasibility of locating the Solar Energy Research Institute in this State.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

Hank Rase, Executive Director
Governor's Energy Policy Council
State Capitol
Denver, Colorado 80207
(303) 892-2507

FORMS AND OTHER DOCUMENTS

None

ADDITIONAL INFORMATION

A Proposal for locating the Solar Energy Research Institute in Colorado was developed, and it will be released when permitted by the Energy Research and Development Administration. Golden, Colorado was selected as the site for the Institute.

COLORADO

HJR 1034

Approval Date: April 23, 1976

Effective Date: April 23, 1976

ABSTRACT

This Resolution supports the location of the Solar Energy Research Institute in the State of Colorado. It also assures the Energy Research and Development Administration that adequate land and other necessary support will be provided for the Institute if Colorado is chosen as the site.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

None

FORMS OR OTHER DOCUMENTS

None

CONNECTICUT

SB 652 (Substitute)

Public Act 76-409

Approval Date: June 2, 1976

Effective Date: June 2, 1976

ABSTRACT

This Act provides, subject to municipal ordinance, a real property tax assessment exemption for a building or addition equipped with a solar energy heating or cooling system (including windmills and watermills). It provides the exemption for the assessed valuation caused by the solar device for fifteen years from initial construction. The building construction must commence on or after October 1, 1976 and prior to October 1, 1991. The Act also provides that the Commissioner of Planning and Energy Policy will establish standards for solar energy systems.

LEGAL CITATION

This Act amends Section 12-81 of the general statutes as amended, by adding a new Subsection 56. Section 16a-14 of the general statutes as amended by section 9 of Public Act 75-537, is repealed and substituted by Section 2 of this Act.

RESPONSIBLE STATE AGENCIES AND OFFICIALS

Lynn Alan Brooks, Commissioner
Department of Planning and Energy Policy
20 Grand Street
Hartford, Connecticut 06115
(203) 566-2800

Gerald J. Heffernan
Tax Commissioner
Tax Department
92 Farmington Avenue
Hartford, Connecticut 06115
(203) 566-7120

FORMS AND OTHER DOCUMENTS

1. "Proposed Standards for Solar Energy Systems."
2. Form M-44, "Tax Exemption Application - Solar Energy Systems."

ADDITIONAL INFORMATION

The Department of Planning and Energy Policy reports that as of June 1, 1977, 62 towns had passed the local property tax assessment exemption. The proposal is under consideration in approximately 30 other localities.

FLORIDA

HB 776

Chapter 76-246

Approval Date: June 23, 1976

Effective Date: October 1, 1976

ABSTRACT

This Act directs the Florida Solar Energy Center to develop and promulgate standards for solar energy systems and to develop criteria and maintain the capability for testing the performance of such systems. All solar systems manufactured or sold in Florida which meet the standards may display accepted results of approved performance tests. The Act also directs the Department of Education to develop a pilot program to determine the feasibility of utilizing solar energy in public schools.

LEGAL CITATION

This Act may be cited as the "Solar Energy Standards Act of 1976."

RESPONSIBLE STATE AGENCY AND OFFICIAL

Dr. John S. Blakemore
Acting Director
Florida Solar Energy Center
300 State Road 401
Cape Canaveral, Florida 32920
(305) 783-0300

FORMS AND OTHER DOCUMENTS

1. "Test Methods and Minimum Standards for Solar Collectors FSEC 76-1," 27 pages.*
2. "Operation of the Collector Certification Program FSEC 76-2," 9 pages.*
3. "Test Facilities and Procedures," 5 pages. (1st page only in Appendix A)
4. "Test Data Collection and Test Report Content," 7 pages.*
5. "Collector Documentation Form."
6. "Structural Certificate Form."
7. "Agreement for Solar Collector Testing."
8. "Agreement for Solar Collector Labeling."

*cover only reproduced in Appendix A for identification.

ADDITIONAL INFORMATION

Flat plate collector test beds are complete and in use.

GEORGIA

HB 1480 (Substitute)

Act 1030

Approval Date: March 24, 1976

Effective Date: July 9, 1976

ABSTRACT

This Act allows a refund of sales tax on the purchase of machines and equipment used directly in the conversion of solar energy for heating, cooling, drying or water heating. Agricultural, industrial, commercial and residential property is included. The refund authorization extends until July 1, 1986.

LEGAL CITATION

This Act amends the Georgia Laws of 1951 (p. 360) as amended, by adding at the end of Section 3(C)2, a new subparagraph (z).

RESPONSIBLE STATE AGENCY AND OFFICIAL

Chandler A. Hewell
Director of Sales and Use Tax Division
Department of Revenue
Room 310, Trinity and Washington Building
Atlanta, Georgia 30334
(404) 656-4060

FORMS AND OTHER DOCUMENTS

"The Georgia Retailers' and Consumers' Sales and Use Tax Act of 1951,"
(cover and page 12).

GEORGIA

HB 1698 (Substitute)

Act 1445

Approval Date: April 9, 1976

Effective Date: July 1, 1976

ABSTRACT

This Act creates the Georgia Council for Energy Resources and the Office of Energy Resources. It delineates the responsibilities of the Council as well as the powers and duties of the Office. Alternative energy technologies are noted as one area in which the Office is to inform, educate, and provide materials to State agencies and the public.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

Ms. Omi Walden
Director, Office of Energy Resources, Room 615
270 Washington Street, S.W.
Atlanta, Georgia 30334
(404) 656-5176

FORMS AND OTHER DOCUMENTS

Georgia Office of Energy Resources Functional Outline.

GEORGIA

SR 284

Resolve 167

Ratified: November 2, 1976

Effective Date: January 1, 1977

ABSTRACT

This Resolve provides a constitutional amendment to allow any county or municipality to exempt from ad valorem taxation tangible property used in a solar energy heating or cooling system. It also exempts from taxation the value of certain tangible property consisting only of machinery and equipment directly used in the manufacture of solar energy heating or cooling systems. This authority extends to July 1, 1986.

LEGAL CITATION

This Resolve when it was approved by the voters at the November 2, 1976, general election, amended the State Constitution Article VII, Section I, Paragraph IV.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Local City Council or Board of Supervisors .

FORMS AND OTHER DOCUMENTS

None

ADDITIONAL INFORMATION

Coweta and Haversham Counties have adopted an appropriate tax ordinance under this constitutional change.

HAWAII

SB 2467

Act 189

Approval Date: June 2, 1976

Effective Date: July 1, 1976

ABSTRACT

This Act creates an income tax credit for an individual or corporate resident taxpayer for the installation of a solar energy device. The credit may not exceed 10% of the cost of the device, and it must have been placed in service after December 31, 1975, and before December 31, 1981. If the tax credit exceeds liability, it can be carried forward to future years. The Act also provides for a real property tax exemption for installation of an alternate energy device (one not using fossil or nuclear fuels) or for an improvement that increases the efficiency of a system using fossil fuels. The application of this section applies from June 30, 1976, to December 31, 1981.

LEGAL CITATION

This Act amends Chapter 235 of Hawaii Revised Statutes by adding Section 235-12, and Chapter 246 by adding Section 246-34.10.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Gordon Wong, Director
Department of Taxation
Hale Auhdo Building
425 South Queen Street
Honolulu, Hawaii 96813
(808) 548-2211

FORMS AND OTHER DOCUMENTS

1. Form N-157, "Claim for Solar Energy Devices Tax Credit."
2. Form N-157A, "Information Statement concerning claim for solar energy"

IDAHO

HB 468

Chapter 212

Approval Date: March 19, 1976

Effective Date: January 1, 1976

ABSTRACT

This Act provides a deduction from an individual's taxable income for the cost of adding insulation, weatherstripping, and storm windows or doors to his residence. Also, a taxpayer who installs an alternative energy device (solar, geothermal, wind or wood) to his residence may deduct 40% of its cost from his taxable income the first year and 20% per year for three additional years. The deduction may not exceed \$5,000 in any one taxable year.

LEGAL CITATION

This Act amends Chapter 30, Title 63 of the Idaho Code by adding new Sections 63-3022B and 63-3022C.

RESPONSIBLE STATE AGENCY AND OFFICIAL

D. C. Ambrose, Deputy Commissioner
State Tax Commission
P.O. Box 36
Boise, Idaho 83722
(208) 384-3146

FORMS AND OTHER DOCUMENTS

1. Form 40, "Idaho Individual Income Tax Return."
2. "1976 Idaho Individual Income Tax Instructions," (pages 6 and 7).

KANSAS

HB 2969

Chapter 434

Approval Date: April 13, 1976

Effective Date: July 1, 1976

ABSTRACT

This Act provides an income tax credit of 25% of the cost of a solar energy system or \$1,000, whichever is less, for an individual taxpayer who installs the system in his principal residence. It also allows a taxpayer, who installs a solar energy system on business or income-producing property, an income tax credit of 25% of the cost or \$3,000, whichever is less, and allows amortization of the device over sixty months.

LEGAL CITATION

This Act amends K.S.A. 1975 Supp. 79-32,120 and 79-32,138 repealing the existing sections.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Kent Kalb, Secretary of Revenue
Second Floor
State Office Building
Topeka, Kansas 66612
(913) 296-3041

FORMS AND OTHER DOCUMENTS

1. Form K-35, "Solar Energy Credit Schedule."
2. Form K-35A, "Certification of Solar Energy Transfer."
3. "1976 Kansas Corporation Income Tax Booklet," (page 4).
4. "1976 Kansas Individual Income Tax Booklet," (page 5).

KENTUCKY

HB 499

Chapter 299

Approval Date: March 30, 1976

Effective Date: July 1, 1976

ABSTRACT

This Act is a broad governmental reorganization Act. It establishes a Kentucky Center for Energy Research and a Department of Energy. It also creates a Board of Energy Research and an Energy Resources Advisory Commission. Although not specifically mentioned in the authorities of the agencies, research and program development on solar energy could be conducted under the general authority outlined in the Act.

LEGAL CITATION

The Act adds a number of new sections and amends others in the Kentucky Revised Statute 152.

RESPONSIBLE STATE AGENCIES AND OFFICIALS

Damon W. Harrison, Commissioner
Department of Energy
Capitol Plaza Tower
Frankfort, Kentucky 40601
(502) 564-7416

David D. Drake, Administrator
Kentucky Center for Energy Research
P.O. Box 11888
Iron Works Pike
Lexington, Kentucky 40511
(606) 252-5535

FORMS OR OTHER DOCUMENTS

1. "Kentucky Center for Energy Research - Agency Mission Programs."
2. "Kentucky Energy Conservation Plan - A Summary," (cover and table of contents only).

MARYLAND

HB 1222

Chapter 740

Approval Date: May 17, 1976

Effective Date: July 1, 1976

ABSTRACT

This Act allows Baltimore City, any city within a county or any county to provide for tax credits against local real property taxes for the use of solar energy heating or cooling units. The authorization applies to residential and non-residential buildings for a maximum of three years. The amount of credit and other specifics are left to the localities.

LEGAL CITATION

This Act adds a new Section 12F-4 to Article 81 of the Annotated Code of Maryland.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Local City Councils or County Boards of Supervisors.

FORMS AND OTHER DOCUMENTS

None

ADDITIONAL INFORMATION

In 1975, Maryland passed HB 1604 (Chapter 509 of the Session Laws of 1975). This Act provided that solar energy heating and cooling units installed in existing or newly constructed residential or non-residential buildings shall not cause the assessment of the building to be greater than with a conventional heating or cooling unit.

MARYLAND

HJR 48

Resolution No. 49

Approval Date: May 4, 1976

Effective Date: May 4, 1976

ABSTRACT

This Resolution requests the Governor to appoint a Solar Energy Commission to study and review solar energy applications to insure protection of the consumer and to facilitate the use of solar energy in both the public and private sectors. The Commission would report to the 1977 Legislature.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

No Commission was established.

FORMS AND OTHER DOCUMENTS

None

MASSACHUSETTS

SB 1418

Chapter 433

Approval Date: October 19, 1976

Effective Date: January 1, 1977

ABSTRACT

This Act requires that life-cycle cost estimates be made for all new State buildings or building additions which add 10% to the gross floor space, and whose construction costs exceed \$25,000. Energy systems to be investigated include those utilizing solar and wind energy. For the purpose of determining the life-cycle cost estimates, the initial building design must be placed on the selected site to maximize exposure to sun for a solar energy system or exposure to the wind for a wind energy system.

LEGAL CITATION

This Act amends Chapter 149 of the General Laws by adding Section 44M.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Walter Poittrast, Director
Bureau of Building Construction
One Ashburton Place, 15th Floor
Boston, Massachusetts 02108
(617) 727-4050

FORMS AND OTHER DOCUMENTS

"Regulations Requiring Life Cycle Cost Estimates for Solar and Wind Energy Utilization for Construction by Public Awarding Authorities," (cover and table of contents only).

ADDITIONAL INFORMATION

Hearings on the draft regulations were held in May 1977.

MASSACHUSETTS

SB 1664

Chapter 487

Approval Date: October 26, 1976

Effective Date: January 1, 1976

ABSTRACT

This Act allows a corporate deduction from net taxable income for an expenditure for installation of, or conversion to, a solar or wind-powered climatic control unit or water heating unit. The unit must be located in the Commonwealth and used exclusively in the corporation's trade or business. Also, the unit will not be subject to tax as tangible property.

LEGAL CITATION

This Act amends Chapter 63 of the General Laws by adding a new Section 38H.

RESPONSIBLE STATE AGENCIES AND OFFICIALS

Walter Poittrast, Director
Bureau of Building Construction
One Ashburton Place, 15th Floor
Boston, Massachusetts 02108
(617) 727-4050

Owen L. Clarke
Commissioner of Corporations and Taxation
100 Cambridge Street, Room 806
Boston, Massachusetts 02204
(617) 727-4201

FORMS AND OTHER DOCUMENTS

1. Form 355A, "Domestic Business or Manufacturing Corporation Excise Return."
2. Form 355B, "Foreign Business or Manufacturing Corporation Excise Return."

MASSACHUSETTS

HB 5155

Chapter 226

Approval Date: July 2, 1976

Effective Date: July 2, 1976

ABSTRACT

This Act provides 300 acres of land with buildings in Westboro, Massachusetts, for the site of the Solar Energy Research Institute.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

John R. Buckley, Secretary
Executive Office of Administration and Finance
Room 312, State House
Boston, Massachusetts 02133
(617) 727-2040

FORMS OR OTHER DOCUMENTS

None

MICHIGAN

HB 4137

Public Act 132

Approval Date: May 27, 1976

Effective Date: January 1, 1976

ABSTRACT

This Act provides that receipts from sales of solar, wind or water energy conversion devices will not be used to compute tax liability for business taxes. The device can be used for heating, cooling or electrifying an existing or new residential or commercial building. This will be effective only until January 1, 1985.

LEGAL CITATION

This Act amends Act No. 167 of the Public Acts of 1933, as amended, being Sections 205.51 to 205.78 of the Compiled Laws of 1970 by adding Section 4h.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Edward Kane, Secretary
State Tax Commission
Department of Treasury
Lansing, Michigan 48922
(517) 373-0500

FORMS AND OTHER DOCUMENTS

None .

MICHIGAN

HB 4138

Public Act 133

Approval Date: May 27, 1976

Effective Date: January 1, 1976

ABSTRACT

This Act provides that the tangible property (use) tax will not apply to solar, wind or water energy conversion devices used to heat, cool or electrify new or existing residential buildings.

LEGAL CITATION

This Act amends Act No. 94 of the Public Acts of 1937, as amended, being Sections 205.91 to 205.111 of the Compiled laws of 1970 by adding Section 4h.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Edward Kane, Secretary
State Tax Commission
Department of Treasury
Lansing, Michigan 48922
(517) 373-0500

FORMS AND OTHER DOCUMENTS

None

MICHIGAN

HB 4139

Public Act 135

Approval Date: May 27, 1976

Effective Date: January 1, 1976

ABSTRACT

This Act provides an exemption for solar, wind or water energy conversion devices from real and personal property taxes, sales taxes and use taxes. A certificate of tax exemption will be issued by the State Tax Commission upon appropriate application. Authority to issue certificates expires June 30, 1985.

LEGAL CITATION

This Act amends Section 7 of Act No. 206 of the Public Acts of 1893, as amended, being Section 211.7 of the Compiled Laws of 1970, by adding Section 7h.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Edward Kane, Secretary
State Tax Commission
Department of Treasury
Lansing, Michigan 48922
(517) 373-0500

Township or City Assessor

FORMS AND OTHER DOCUMENTS

1. "Application for Solar, Wind or Water Energy Tax Exemption Certificate."
2. "Solar, Wind or Water Energy Tax Exemption Certificate."
3. Form Cover Letters with Example of Exemption.

MICHIGAN

HB 5893

Public Act 80

Approval Date: April 14, 1976

Effective Date: April 14, 1976

ABSTRACT

This Act provides an appropriation of \$220,000 for preparing a proposal to the Energy Research and Development Administration in connection with the location of the proposed Solar Energy Research Institute in Michigan.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

None

FORMS AND OTHER DOCUMENTS

None

ADDITIONAL INFORMATION

A proposal was prepared by a private association by agreement with the State and submitted by the Governor. For information contact:

John Mogk, President

Michigan Energy and Resource Research Association (MERRA)

728 Executive Plaza

Detroit, Michigan 48226

(313) 964-5030

MINNESOTA

HF 500

Chapter 333

Approval Date: April 19, 1976

Effective Date: April 20, 1976

ABSTRACT

This Act provides for promulgation of quality and performance standards for solar energy systems by December 31, 1976. Manufacturers or retailers of solar energy systems shall disclose to potential purchasers the extent to which their system meets or exceeds each quality standard. It also includes prohibition of decorative gas lamps, establishes standards for energy conservation in public buildings and provides for energy surveys in public buildings and the review of energy research and demonstration projects.

LEGAL CITATION

This Act, as it relates to solar energy standards, amends Chapter 116H of the Minnesota Statutes of 1974 by adding Section 116H.127.

RESPONSIBLE STATE AGENCY AND OFFICIAL

William F. Anderson, Director
Building Code Division
Department of Administration
Seventh and Roberts Streets
St. Paul, Minnesota 55101
(612) 296-4626

FORMS AND OTHER DOCUMENTS

Proposed standards titled, "Standards of Performance for Solar Energy Systems and Subsystems Applied to Energy Needs of Buildings," are available from the Agency noted above.

ADDITIONAL INFORMATION

Public hearings on the proposed standards were held May 17, 1977.

MINNESOTA

HF 2688

Resolve No. 2

Approval Date: April 13, 1976

Effective Date: April 13, 1976

ABSTRACT

This Resolve supports the location of the Solar Energy Research Institute in Minnesota and pledges State support for its management and location.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

Joan Anderson Growe
Secretary of State
Room 180, State Office Building
Wabasha Street
St. Paul, Minnesota 55155
(612) 296-2079

FORMS AND OTHER DOCUMENTS

None

NEBRASKA

LR 104

Approval Date: January 7, 1976

Effective Date: January 7, 1976

ABSTRACT

This Resolution pledges the full support and encouragement of the Legislature for efforts to secure the Solar Energy Research Institute for Nebraska.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

None

FORMS AND OTHER DOCUMENTS

None

NEW JERSEY

ACR 167

Approval Date: October 12, 1976

Effective Date: October 12, 1976

ABSTRACT

This Resolution urges that the Solar Energy Research Institute be located in New Jersey and pledges the full cooperation of the Legislature to efforts toward locating it in the State as well as ensuring its success.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

None

FORMS OR OTHER DOCUMENTS

None

NEW MEXICO

HB 8 of Special Session (HB 74 of Regular Session)

Chapter 12

Approval Date: March 4, 1976

Effective Date: March 4, 1976

ABSTRACT

This Act provides an appropriation of \$250,000 for preparing, submitting and monitoring a proposal to the Energy Research and Development Administration in support of the location of the Solar Energy Research Institute in New Mexico.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

Fred O'Cheskey, Administrator
Energy Resources Board
P.O. Box 2770
Santa Fe, New Mexico 87501
(505) 827-2472

FORMS AND OTHER DOCUMENTS

A proposal was prepared.

Contact: Dean William A. Gross
Farris Engineering Center
University of New Mexico
Albuquerque, New Mexico 87131
(505) 277-5521

NEW YORK

SB 9715-A

Chapters 819-821

Approval Date: July 26, 1976

Effective Date: August 25, 1976

ABSTRACT

This Act establishes a State Energy Office to develop and implement State policies on energy and energy resources. Functions include studies of energy resources and projected supply and demand, an energy information clearinghouse, education programs, promulgation of energy use standards for State buildings, and accelerated development and use of renewable energy sources. The Act also creates an Energy Advisory Council.

LEGAL CITATION

This Act adds Chapter 17-A to the consolidated laws including Articles 1, 3, 5 and 7.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Jeffrey C. Cohen, Acting Commissioner
New York State Energy Office
Swan Street Building
Core 1, 2nd Floor
Empire State Plaza
Albany, New York 12223
(518) 474-8313

FORMS AND OTHER DOCUMENTS

Flyer - "New York State Energy Office."

RHODE ISLAND

SB 2465

Resolution 131

Approval Date: April 8, 1976

Effective Date: April 8, 1976

ABSTRACT

This Resolution extends the life of the State Energy Technology Study Commission created in 1975 by Resolution No. 59. The purpose of the Commission is to study solar and wind energy, and its report is due March 16, 1977.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

Senator Richard A. Licht,
Chairman, Energy Technology Study Commission
350 Cole Avenue
Providence, Rhode Island 02906
(401) 421-5650

FORMS OR OTHER DOCUMENTS

None

ADDITIONAL INFORMATION

Final report will probably be available in January 1978.

VERMONT

HB 206

Chapter 226

Approval Date: April 7, 1976

Effective Date: July 1, 1976

ABSTRACT

This Act allows a town to exempt alternate energy sources from real or personal property taxation. Alternate energy sources include grist mills, windmills, facilities for the collection of solar energy or conversion of organic matter to methane, and all component parts thereof including land not to exceed 1/2 acre. The Act also authorizes a town to appoint an energy coordinator.

LEGAL CITATION

This Act adds Section 3845 to 32 Vermont Statutes Annotated (V.S.A.), amends 32 V.S.A. Section 9601(6) and adds to 24 V.S.A. Chapter 33, Subchapter 12, Section 1131.

RESPONSIBLE STATE AGENCIES AND OFFICIALS

Brendan J. Whittaker, Director
State Energy Office
State Office Building
110 State Street
Montpelier, Vermont 05602
(802) 828-2768

George O'Brien, Chief
Property Tax Division
Tax Department
Pavillion Office Building
Montpelier, Vermont 05602
(802) 828-2536

Assessors or Selectmen of each town

FORMS AND OTHER DOCUMENTS

None

ADDITIONAL INFORMATION

As of May 1977, approximately 20 towns have adopted the alternate energy tax exemption and approximately 80 have appointed an energy coordinator.

VERMONT

J.R.S. 35

Resolution 63

Approval Date: March 23, 1976

Effective Date: March 23, 1976

ABSTRACT

This Resolution provides the support and cooperation of the Vermont General Assembly to the regional effort to ensure the siting of the Solar Energy Research Institute in New England. It also indicates support for development of an inventory of State and private resources in Vermont in order to promote the siting of the Institute.

LEGAL CITATION

None

RESPONSIBLE STATE AGENCY AND OFFICIAL

None

FORMS AND OTHER DOCUMENTS

None

VIRGINIA

HJR 10 (LD 0501)

Chapter 782

Approval Date: February 12, 1976, (House); March 9, 1976, (Senate)
Approved by voters as a Constitutional amendment November 2, 1976

Effective Date: 1977 law makes the actual effective date of this amendment
January 1, 1978

ABSTRACT

This Resolution, when approved by the electorate as a Virginia Constitutional amendment, allows the General Assembly to define as a separate subject of taxation any property, including real or personal property, equipment, facilities, or devices, used for the purposes of transferring or storing energy. Also by general law the Assembly may allow the governing body of any county, city, town or regional government to exempt or partially exempt or partially exempt such property.

LEGAL CITATION

This Resolution, as it relates to solar energy would amend Article X, Section 6 of the Constitution of Virginia.

RESPONSIBLE STATE AGENCY AND OFFICIAL

E. A. Ragland, Executive Director
State Office of Housing
Six North Sixth Street, Suite 202
Richmond, Virginia 23219
(804) 786-7891

Local building departments of counties,
towns or cities adopting an ordinance
pursuant to this Constitutional amendment.

FORMS AND OTHER DOCUMENTS

Regulations and forms are under development by the State Board of Housing and the State Office of Housing.

ADDITIONAL INFORMATION

HB 1404, Chapter 561 of Laws of 1977 implements this Constitutional authority. Regulations setting forth criteria are to be established by the State Board of Housing. Forms will be provided by the State Office of Housing and that Office, in conjunction with local building departments, will certify systems as meeting the established criteria. The certificate will be sent to the local assessing officer and the exemption will be permitted for a term of not less than five years.

WASHINGTON

SB 3172 (Substitute)

Chapter 108

Approval Date: March 19, 1976

Effective Date: March 15, 1976

ABSTRACT

This Act creates a State Energy Office with authority to collect data, develop guidelines for conservation plans, prepare studies, coordinate State energy activities, and recommend programs and policies to the Governor and Legislature.

LEGAL CITATION

See page B-124 in Appendix B for list of chapters of the Washington law effected by this bill.

RESPONSIBLE STATE AGENCY AND OFFICIAL

Lawrence B. Bradley, Acting Director
Washington State Energy Office
1000 South Cherry Street
Olympia, Washington 98504
(206) 753-2417

FORMS AND OTHER DOCUMENTS

None

ADDITIONAL INFORMATION

The Energy Office has an alternate energy sources library and a Directory of Washington Solar Projects and distributes solar information through a traveling informational display.

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APPENDIX A

STATE FORMS, INSTRUCTIONS, DATA

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MINNESOTA HF 500

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QUESTIONS & ANSWERS

1. Q: What is an "appropriate statement" to accompany the income tax return?
 A: A written statement attached to the tax return which includes an itemization of equipment and installation costs incurred for the addition of solar devices. Actual receipts, do not need to accompany the tax return. However, if the taxpayer were selected for an audit, he may need his receipts.

2. Q: What amount may be taken as a deduction for solar devices?
 A: The formula for calculating the amount to be deducted as an "Other Deduction" on the Itemized Deduction Sheet is:

$$\begin{array}{l} 197x \text{ AZ St.} = \text{Total Cost (from} \quad \text{Number of months of 197x} \\ \text{Income Tax} \quad \text{written statement)} \times \text{in which device was in} \\ \text{Deduction} \quad \quad \quad \underline{\text{36 Months}} \quad \quad \text{service} \\ \quad \quad \quad \quad \quad \quad 36 \end{array}$$

3. Q: Is there a maximum total cost which can be amortized?
 A: No, the law makes no restriction on the amount to be spent on solar devices or installation.

4. Q: If a taxpayer installs his own solar device, can he include his own time in the installation costs?
 A: No.

5. Q: Does the definition of "solar energy device" include systems which generate heat or electricity from the wind?
 A: Yes, the term "solar energy," as defined by Public Law 93-473, Section 3 (October 26, 1974), means "energy which has recently originated in the Sun, including direct and indirect solar radiation and intermediate solar energy forms such as wind, sea thermal gradients, products of photosynthetic processes, organic wastes, and others."

6. Q: May a solar device be amortized if it was acquired and placed in service prior to January 1, 1974?
 A: No, the provisions of the law became effective "beginning from and after December 31, 1973."

PUBLICATIONS OF THE SOLAR
ENERGY RESEARCH COMMISSION

January 1977	<u>Unit Price</u>	<u>Quantity</u>	<u>Total</u>
<u>Arizona and Tomorrow's Solar Power Plants</u> , a booklet discussing solar thermal electric power generation	\$3.00	_____	_____
<u>Arizona Solar Energy Directory</u> , a compilation of Arizona firms working with solar energy-solar hardware manufacturers and distributors as well as related services (architects, engineers, contractors)	\$1.00	_____	_____
"Arizona Solar Laws," a synopsis of Arizona's current laws regarding solar energy	Free	_____	_____
"Books about Solar Energy," an annotated bibliography of popular solar books	\$1.00	_____	_____
<u>Putting the Sun to Work in Arizona</u> , a general information booklet on solar energy	\$1.00	_____	_____
<u>Solar Radiation and Sunshine Data for the Southwestern United States, 1966-1974</u> , a compilation of monthly values of solar radiation and sunshine data for 21 sites throughout the Southwestern U.S.	\$5.00	_____	_____
<u>Solar Tables for Selected Arizona Communities</u> , a compilation of daily values of various solar parameters for 18 Arizona communities	\$5.00	_____	_____

TOTAL REMITTANCE \$ _____

Individual and/or organization to whom you would like the publication(s) mailed:

NAME

ORGANIZATION

STREET ADDRESS

CITY STATE ZIP CODE



STATE OF CALIFORNIA
FRANCHISE TAX BOARD

STATEMENT TO SUPPORT SOLAR ENERGY CREDIT
FOR USE BY INDIVIDUALS AND CORPORATIONS

INCOME
19
YEAR

or other income year beginning _____, 19____ ending _____, 19____
Please read instructions on other side Attach this schedule to your Tax return

NAME OF TAXPAYER	Corporate Number or Social Security Number

DESCRIPTION OF SOLAR ENERGY DEVICE

ADDRESS OF PROPERTY ON WHICH DEVICE WAS INSTALLED	PROPERTY OWNERSHIP PERCENTAGE	INSTALLATION DATE

PURCHASED FROM	INSTALLED BY

PERSONAL INCOME TAXPAYERS AND NON-AFFILIATED CORPORATIONS COMPLETE LINES 1 TO 6 INCLUSIVE

1. Cost of device(s) _____
2. Cost of installation (if not included above) _____
3. Total cost (Line 1 plus line 2) _____
4. 10% of line 3 _____
5. Maximum credit per return \$1,000.00
6. Solar Energy Tax Credit (lesser of line 4 or 5) _____
(Married taxpayers filing separate returns continue to complete this form.)

CORPORATIONS NOT AFFILIATED WITH ANY OTHER, AND PERSONAL INCOME TAXPAYERS OTHER THAN MARRIED FILING SEPARATE STOP; AND ENTER THIS CREDIT ON THE APPROPRIATE LINE ON YOUR RETURN

MARRIED TAXPAYERS FILING SEPARATE RETURNS COMPLETE LINES 7 and 8

7. Enter amount claimed by spouse on separate return _____
8. Line 6 less line 7 (Amount claimed this return) _____

TWO OR MORE CORPORATIONS COMMONLY OWNED OR CONTROLLED COMPLETE LINES 9 TO 15 INCLUSIVE

	Group	Group	This Corp
9. Cost of device(s) (California only)	_____	_____	_____
10. Cost of installation (if not included above)	_____	_____	_____
11. Total cost (Line 9 plus line 10)	_____	_____	_____
12. 10% of line 11 (Group)	_____	_____	_____
13. Maximum credit per group	_____	<u>\$1,000.00</u>	_____
14. Ratio — Line 11 (This Corp over Group)	_____	_____	_____
15. Solar Energy Tax Credit this return [Line 14 × (Lesser of Line 12 or 13)]	_____	_____	_____

NOTE: Solar energy device means equipment which uses solar energy to produce cooling, heat or electricity. Insulation, double paned windows, shades, weather stripping, and other similar "passive" items do not qualify for the credit.

GENERAL INSTRUCTIONS:

Personal Income Taxpayers: Married taxpayers filing separate returns are treated as one taxpayer for purposes of the Solar Energy Credit. Either spouse of a married couple filing separate returns may claim the total credit, otherwise the credit must be divided equally between the spouses. YOU MAY NOT SPLIT THE CREDIT IN ANY OTHER MANNER THAN ONE-HALF TO EACH SPOUSE.

Trusts or Estates: THE TAX CREDIT PROVIDED BY SECTION 17052.5 OF THE PERSONAL INCOME TAX LAW SHALL NOT APPLY TO TRUSTS OR ESTATES SUBJECT TO TAX UNDER THIS PART.

Corporate Taxpayers: Corporations conducting business within and without the State of California, owned or controlled by the same interests, and conducting a unitary business are treated as one taxpayer for purpose of the Solar Energy Credit.

Corporations conducting a unitary business wholly within the State of California, owned or controlled by the same interests, and but for the fact that the business is wholly intrastate would be filing combined returns are treated as one taxpayer for the purpose of the Solar Energy Credit.

SOLAR ENERGY DEVICE — Definition

1. "Solar Energy Device" means equipment which uses solar energy to heat or cool or produce electricity.
2. The original use of this device must have commenced with the taxpayer claiming the credit.
3. The device must have been installed on property located within the State of California which is owned or controlled by the taxpayer at the time of installation.
4. The device must have a useful life of at least three years.
5. Insulation, double paned windows, shades, weather stripping, and other similar "passive" items DO NOT QUALIFY FOR THE CREDIT.

SPECIFIC INSTRUCTIONS:

1. All taxpayers insert calendar year or complete line for the fiscal year.
2. All taxpayers except affiliated corporations complete Lines 1 to 6, inclusive.
3. Married taxpayers filing separately complete Lines 7 and 8.
4. Affiliated corporations complete Lines 9 to 15, inclusive.

THE CREDIT ALLOWED IS IN LIEU OF ALL EXPENSES TO BE CLAIMED NOW OR IN THE FUTURE FOR THE COST OF DEVICE(S) EXCEPTING INTEREST EXPENSE.

YOUR COST BASIS FOR THIS DEVICE MUST BE REDUCED BY THE AMOUNT OF THE CREDIT ALLOWED WHEN COMPUTING THE GAIN OR LOSS UPON SALE OR OTHER DISPOSITION.

THE CREDIT ALLOWED IS APPLIED AGAINST THE TAX LIABILITY OF THE RETURN. IT MAY NOT BE USED TO REDUCE THE CORPORATE TAX BELOW THE MINIMUM FRANCHISE TAX LIABILITY. IT MAY NOT BE USED TO REDUCE THE PREFERENCE TAX OF EITHER CORPORATIONS OR INDIVIDUAL TAXPAYERS.

SPECIAL CREDITS**TAX CREDIT FOR RENTERS**

For 1976 California allows a refundable credit of \$37 to qualified renters. The credit is refundable; i.e., if the renter's income tax liability is less than the credit, a refund of the excess will be made.

To Qualify for the Renter's Credit:

1. You must have been a resident of California on March 1, 1976; and
2. You must have, on March 1, 1976, rented and occupied a house or dwelling in California which was your principal place of residence. Owning and occupying a mobilehome situated on rented land satisfies this requirement.

You Do NOT Qualify for the Renter's Credit if:

1. The rented property was exempt from property taxes, unless you were required to pay property taxes on your possessory interest in such residence; or
2. You lived with another person who claimed you as a dependent for income tax purposes; or
3. You or your spouse were granted the homeowner's property tax exemption, unless the spouse granted the homeowners' property tax exemption maintained a residence separate from yours for the entire taxable year; or
4. You or your spouse received for the entire year welfare payments which included housing or shelter needs. However, one-twelfth of the allowable credit will be allowed for each full month of the taxable year you did not receive these payments.

Other Residence Rules:

An unmarried person who was not a California resident for the entire taxable year shall receive one-twelfth of the allowable credit for each full month of residence in California.

If a husband and wife lived apart for the entire taxable year, they may claim two credits, providing they qualify for the credit. The two credits can be taken if either joint or separate returns are filed. If a joint return is filed, a statement that they maintained separate residences for the entire year and the location of the residences should be attached.

If a husband and wife do not live apart for the entire year, they are entitled to only one credit. The credit may be taken by either spouse or divided equally between them, except in the following situations:

1. If one spouse was a resident for the entire taxable year and the other spouse was a nonresident for all or part of the year, the resident spouse will be allowed the full credit.
2. If both spouses were nonresidents for part of the taxable year, the credit shall be divided equally between them and each spouse will be allowed one-twelfth of his or her half of the credit for each full month of residence in California.

SOLAR ENERGY TAX CREDIT

For taxable years beginning in 1976, a tax credit for the cost of solar energy device(s) is available to individuals in the amount of 10 percent of the cost of such device(s) including installation charges, but excluding interest charges incurred by the taxpayer on premises in California, which are owned and controlled by the taxpayer at the time of installation. To qualify for the credit, the device must have a useful life of at least three years. The credit is not available to trusts and estates.

Solar energy device means equipment which uses solar energy to heat, cool or produce electricity. Insulation, double paned windows, shades, weather stripping, and other similar "passive" items do not qualify for the credit. The credit may be deducted against the net tax liability, but not against the tax on preference income.

The credit(s) must be claimed in the year of installation and cannot exceed \$1,000.00 in the aggregate. The credit for such cost shall be in lieu of any deduction to which the taxpayer may otherwise be entitled, if any.

If you qualify, you may claim this credit by completing line 67, page 2 (Form 540) and entering the total of "other credits" at line 22, page 1 (Form 540). Attach Form FTB 3805L.

If the husband and wife file separate returns, the credit may be taken by either or equally divided between them.

SPECIAL LOW INCOME TAX CREDIT

For calendar year 1976 and fiscal years beginning in 1976, a special low income tax credit is provided. If you qualify for this credit, your net tax liability (line 23, Form 540) may be reduced.

Total income, line 14, Form 540, cannot exceed \$10,000 for single or married filing separately, or \$20,000 for married, head of household, or widow(er) with dependent child.

If you have \$1.00 or more of preference income tax (Schedule P, Form 540), you do not qualify for this credit. See instruction, page 8, line 24, for preference items.

To qualify for this credit, you must be a California resident at the end of your taxable year and your adjusted gross income must be:

\$5,080 or less if single or married filing separately, or
\$10,160 or less if married filing jointly, head of household or widow(er) with dependent child.

You may claim the special low income tax credit by:

1. Completing lines 1 through 16, page 1 (Form 540).
2. Determine applicable credit by referring to the graduated tax table for special low income tax credit.
3. Enter the allowable credit on line 66, page 2, Form 540.

Single or Married Filing Separate

If Your Adjusted Gross Income is:		The Special Low Income Tax Credit shall be
OVER	NOT OVER	
	\$5,000	\$40
\$5,000	5,008	38
5,008	5,016	34
5,016	5,024	30
5,024	5,032	26
5,032	5,040	22
5,040	5,048	18
5,048	5,056	14
5,056	5,064	10
5,064	5,072	6
5,072	5,080	2
5,080		-0-

**Joint Return of Married Couple, Head of Household,
Widow(er) With Dependent Child**

If Your Adjusted Gross Income is:		The Special Low Income Tax Credit shall be
OVER	NOT OVER	
	\$10,000	\$80
\$10,000	10,008	78
10,008	10,016	74
10,016	10,024	70
10,024	10,032	66
10,032	10,040	62
10,040	10,048	58
10,048	10,056	54
10,056	10,064	50
10,064	10,072	46
10,072	10,080	42
10,080	10,088	38
10,088	10,096	34
10,096	10,104	30
10,104	10,112	26
10,112	10,120	22
10,120	10,128	18
10,128	10,136	14
10,136	10,144	10
10,144	10,152	6
10,152	10,160	2
10,160		-0-

PART I — Renter's Credit — All questions must be answered

- 35 Did you, on March 1, 1976, live in rented property which was your principal residence? ☐ Yes ☐ No If no, you may not claim this credit
- 36 Was the property you rented exempt from property tax? ☐ Yes ☐ No If yes, you may not claim this credit
- 37 Did you live with any other person who claimed you as a dependent for income tax purposes? ☐ Yes ☐ No If yes, you may not claim this credit
- 38 Did you or your spouse claim the homeowners' property tax exemption or receive public assistance? ☐ Yes ☐ No If yes, see page 3 of instructions

PART II — Other Income

- 39 Business income (or loss) (attach Schedule C(540)) ● 39
- 40 Net gain (or loss) from sale or exchange of capital assets (attach Schedule D(540)) ● 40
- 41 Net gain (or loss) from supplemental schedule of gains and losses (attach Schedule D-1(540)) ● 41
- 42 Pensions and annuities ● 42
- 43 Rents and royalties ● 43
- 44 Partnerships ● 44
- 45 Estates and trusts ● 45
- 46 Farm income (or loss) (attach Schedule F(540)) ● 46
- 47 Miscellaneous income
- (a) Fully taxable pensions and annuities (not reported on Schedule E(540)) 47a
- (b) Alimony 47b
- (c) Other (state nature and source) 47c
- Enter total of lines 47(a), 47(b), and 47(c) ● 47
- 48 Total (add lines 39 thru 47). Enter here and on line 13 ● 48

PART III — Adjustments to Income

- 49 "Sick pay," if included in line 10 (see instructions — attach Form FTB 3805T) ● 49
- 50 Moving expenses (see instructions — attach Form FTB 3805U) ● 50
- 51 Employee business expenses (See instructions — attach Form FTB 3805N) ● 51
- 52 Military exclusion (see instructions) ● 52
- 53(a) Payments to an individual retirement arrangement (attach FTB 3805P) 53a
- (b) Payments to a Keogh (H.R. 10) retirement plan 53b
- (c) Payments to a self-employed "Defined Benefit Plan" 53c
- Enter total of lines 53(a), 53(b), and 53(c) ● 53
- 54 Forfeited interest penalty (see instructions) ● 54
- 55 Total adjustments (add lines 49 thru 54). Enter here and on line 15 ● 55

PART IV — Itemized Deductions —

● Attach Schedule A(540) and enter sub-totals on lines 56 thru 62, below

- 56 Total deductible medical and dental expenses (from Schedule A(540), line 10) ● 56
- 57 Total taxes (from Schedule A(540), line 17) ● 57
- 58 Total interest expense (from Schedule A(540), line 20) ● 58
- 59 Total contributions (from Schedule A(540), line 24) ● 59
- 60 Total casualty loss (from Schedule A(540), line 29) ● 60
- 61 Total miscellaneous deductions (from Schedule A(540), line 33) ● 61
- 62 Total child care and adoption expenses (from Schedule A(540), line 37) ● 62
- 63 Total itemized deductions (add lines 56 thru 62). Enter here and on line 17 ● 63

PART V — Other Credits — SEE INSTRUCTIONS FOR EACH CREDIT CLAIMED BELOW.

- 64 "Other State" net income tax credit (attach copy of other state return and Schedule S(540)) ● 64
- 65 Retirement income credit (attach Schedule R(540)) ● 65
- 66 Special low income tax credit (see special instructions) ● 66
- 67 Solar energy tax credit (see special instructions) ● 67
- 68 TOTAL (add lines 64 thru 67). Enter here and on line 22 ● 68

PART VI — Other Taxes

- 69 Tax on preference income (see instructions — attach Schedule P(540)) 69
- 70 Tax on premature distributions from attached Form FTB 3805P 70
- 71 Total (add lines 69 and 70) enter here and on line 24 71

PART VII — Reconciliation to Federal Return — If adjusted gross income on Federal Return is different from line 16, page 1, explain below.

PROPOSED STANDARDS FOR SOLAR ENERGY SYSTEMS

DEPARTMENT OF PLANNING AND
ENERGY POLICY

Notice of Intent to Adopt Regulations

In accordance with the provisions of Section 4-168 (a) of the General Statutes of Connecticut, as amended, and pursuant to Section 2 of Public Act 76-409, notice is hereby given that the Commissioner of the Department of Planning and Energy Policy intends to adopt a regulation establishing standards for solar energy systems to be eligible for property tax exemption.

Persons wishing to present their views regarding this proposed regulation may do so at a public hearing to be held at 1:00 p.m. on Thursday, December 2, 1976, Conference Room A and B, second floor, 340 Capitol Avenue, Hartford, Connecticut. The text of the proposed regulations is part of this notice.

Written comments will be accepted on or before November 30, 1976. Written comments should be submitted to:

Commissioner
Department of Planning & Energy Policy
20 Grand Street
Hartford, Connecticut 06115

Standards for Solar Energy Systems

Sec. 16a-14-1. Preamble

These standards define the physical elements of solar energy systems that are eligible for a property tax exemption in accordance with the provisions of Public Act 76-409. Their purpose is to serve as a guide for assessors to evaluate an application claiming such an exemption, and as such provide criteria for determining eligibility.

Sec. 16a-14-2. Definitions

(a) "Solar energy" is defined as the energy received by the earth from the sun in the form of electromagnetic radiation or potential or kinetic energy existing in the earth's principle media, such as the sea, the air and the land as the result of such radiation being received. Solar energy includes but is not limited to:

- (1) solar insolation both direct and diffuse in the form of sensible heat;
- (2) flowing or falling water, by means of which waterwheels or water turbines are driven;
- (3) moving air by means of which windmills are driven.

(b) A "solar energy heating or cooling system" is any system which utilizes solar energy to provide heating or

cooling to a building, and is comprised of the complete assembly of necessary equipment which supplies energy to the building in which it is installed, the primary purpose of such equipment to be the furnishing of thermal energy to meet part or all of such building's heating and/or cooling and/or domestic hot water requirements. Eligible for exemption from the property tax in accordance with the provisions of Public Act No. 76-409 are the collection, transfer and storage subsystems which, when combined and operating, supplement or supplant the output provided by a conventional heating or cooling system. Said system may include such components as collectors, thermal storage device(s), energy transfer media and/or devices, and all valves and/or dampers, pumps and/or blowers, pipes and/or ducts, controls, heat exchangers, gaskets and hoses thereof necessary for the operation of the system.

(c) A "conventional heating and cooling system" is a system which delivers heating or cooling to a building through the combustion of fossil fuels such as petroleum or petroleum products, natural gas, or coal or through the utilization of electricity as radiant heat or as the supply of energy to a heat pump system.

Sec. 16a-14-3. Eligibility

(a) Any solar energy heating and cooling system which has been demonstrated to meet performance standards issued by organizations such as the National Bureau of Standards (NBS), the American Society for Testing and Materials (ASTM), and the American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE) shall be probative of the systems capability for qualification as a solar energy system under this regulation.

(b) Systems not so formally qualified but which meet the definition of a solar energy heating and cooling system in Section 16a-14-2 (b) shall be granted an exemption by the assessor or board of assessors provided that the claim for the exemption is filed with the assessor or board of assessors in the town in which such real property is located, within thirty days following the annual assessment date, in writing claiming such exemption on a form as prescribed by the tax commissioner. A heating or cooling system qualifying under parts (a) or (b) shall be exempted from property taxation for that portion of the heating or cooling system which utilizes solar energy and not for any portion which comprises a conventional heating or cooling system.

LYNN ALAN BROOKS
Commissioner

**TAX EXEMPTION APPLICATION
SOLAR ENERGY SYSTEMS**

M-44 REV. 5-77

MUNICIPALITY OF

 Prescribed by
The State Tax Commissioner
INSTRUCTIONS
IMPORTANT!
READ THIS BE-
FORE FILLING
OUT THIS FORM

1. Prepare in duplicate — Original to Assessor, Duplicate to Taxpayer.
2. Timely filing — Failure to file within 30 days following the annual assessment date automatically waives the right to this exemption.
3. The Solar system described herein must meet standards established by regulation by the Commissioner of the Planning and Energy Policy in order to qualify for this exemption.
4. Only the assessed value of the Solar System described herein may be claimed.
5. See reverse for complete act governing this application.

TO: The Assessor, Municipality of

I hereby apply for property tax exemption for the installation of a Solar Energy heating or cooling system as authorized by the provisions of Section 12-81 (56) of the 1976 Revision of the Conn. General Statutes.

APPLICANT'S NAME		POST OFFICE SERVING APPLICANT	
APPLICANT'S MAIL ADDRESS (No. and Street)		(City or Town)	(State) (Zip)
PHYSICAL LOCATION (No. and Street) OF SOLAR SYSTEM DESCRIBED BELOW.		(City or Town)	(State) (Zip)
DOES THIS SYSTEM MEET THE STANDARDS ESTABLISHED BY THE COMMISSIONER OF PLANNING AND ENERGY POLICY?		<input type="checkbox"/> YES <input type="checkbox"/> NO	DATE CONSTRUCTION OF THIS BUILDING WAS COMMENCED. mo. / day / yr.

DETAILED DESCRIPTION OF THE SOLAR SYSTEM FOR WHICH THIS APPLICATION IS FILED

EXEMPTION CLAIMED	As defined in 12-81 (56) Subsection (b), on reverse.	VALUE \$
CERTIFICATION	I hereby certify that the statements made herein, have been examined by me, and, to the best of my knowledge and belief, are true and correct.	
	OWNER OR OWNERS	
	OWNER OR OWNERS	
ASSESSOR'S USE	DATED AT (Municipality) THIS (Calendar date) DAY OF 19 (Year) AUTHORIZED SIGNATURE	
<input type="checkbox"/> APPROVED <input type="checkbox"/> DIS- APPROVED	MO. / DAY / YR.	



**FLORIDA SOLAR ENERGY CENTER
TEST METHODS AND MINIMUM STANDARDS
FOR SOLAR COLLECTORS**

NOVEMBER, 1976
FSEC 76-1

FLORIDA SOLAR ENERGY CENTER

300 State Road 401, Cape Canaveral, Florida 32920

Telephone: 305 / 783-0300



**OPERATION OF THE COLLECTOR
CERTIFICATION PROGRAM**

NOVEMBER, 1976
FSEC 76-2

FLORIDA SOLAR ENERGY CENTER

300 State Road 401, Cape Canaveral, Florida 32920

Telephone: 305 / 783-0300

TEST FACILITY AND PROCEDURES
FLORIDA SOLAR ENERGY CENTER

The test equipment and configuration used at the Florida Solar Energy Center were chosen to meet the National Bureau of Standards (NBS) requirements described in NBSIR 74-635. This document sets standards of accuracy on the measuring equipment used and details the procedures that should be followed to measure instantaneous collector efficiency accurately and repeatably.

The American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE) is also developing a collector testing procedure that will be very similar to the NBS method, but will include some additional tests. When the ASHRAE procedure is issued we will be able to perform all the tests it requires.

A brief description of the test facility is included here to help explain the tests we perform, and, following the facilities description, is a summary of the test procedure for determining collector efficiency.

Test Facility

Test facilities are located on the property used for the laboratories and offices of FSEC at 300 State Road 401, Cape Canaveral. The site is north of Port Canaveral at the south entrance to Cape Canaveral AFS. Geodetic position is $28^{\circ} 25'$ N. Latitude and $80^{\circ} 36'$ W. Longitude. The height above sea level is 2.7 meters.

The area available to the Solar Center has allowed the test station to be located far enough from any structures, objects, trees or parked vehicles so that no shadows or reflections are cast onto

TEST DATA COLLECTION
AND
TEST REPORT CONTENT

FLORIDA SOLAR ENERGY CENTER

DECEMBER, 1976

COLLECTOR DOCUMENTATION
FORM

Documentation must be submitted by the requesting organization for each collector to be tested. This information will provide a permanent record of the configuration, dimensions, and other specifications; will identify materials used in the collector; will verify structural characteristics not tested at FSEC; and will aid in engineering evaluation.

This form should be used by requesting organization to ensure compliance with FSEC requirements

1. Collector Identification

Manufacturer and Address:

Collector Model Number:

2. Drawings

Drawings shall be attached and submitted showing sufficient detail to accurately represent:

- a. Aperture cover plate dimensions and mounting detail.
- b. Absorber plate dimensions including thickness; location and spacing of fluid flow paths; cross-section dimensions and shape of flow channels; tube wall thickness, and plate-to-tube heat transfer provisions.
- c. Collector enclosure dimensions; provisions for attaching absorber and cover plate; size and location of holes.
- d. Collector assembly detail specifying fasteners and other attachment methods and indicating overall dimensions.

3. Materials

A document shall be included identifying component materials by commercial designations or composition. Upon request, properties relating to thermal, flame spread, electrical, or optical characteristics, as specified by the supplier, shall be furnished. Such identification is required for materials used in:

- a. Cover Plates
- b. Absorber Plate
- c. Absorber coatings
- d. Collector enclosure
- e. Insulation
- f. Caulking, sealants, and gaskets
- g. Thermal and mechanical bonds
- h. Trim, retaining strips, mounting brackets, or other hardware
- i. Connecting hoses

4. Specifications

The following collector specifications shall be provided:

Overall Dimensions: Length

Width

Depth

Height of outlet above inlet when collector tilt is 90°:

Overall Front Area: (length x width)

Glazing: Material
Thickness
Transmittance
No. of Cover Plates

Transparent Frontal Dimensions:
Length
Width
Area

Absorber: Material
Length
Width
Area

Absorber Coating:
Material
Absorptivity
Emissivity

Interglazing Space:

Air Space-Glazing to Absorber:

Insulation:
Type
Dimensions
K-factor

Heat Transfer Fluid: Material
If other than water
Density
Specific Heat

Collector Weight:

Collector Weight/Gross Area

Collector Fluid Capacity:

Collector Fluid Capacity/Gross Area

Normal Operating Temperature Range:

Fluid Flow Rate: Maximum

Minimum

Recommended test flow rate

Manufacturers Recommended Maximum Operating Pressure:

Special Features:

5. Structural Requirements

A written statement shall be provided with the signature and seal of a registered professional engineer certifying structural integrity in the following categories.

5.5.1 Collector Unit Strength

A statement shall be provided from a registered professional engineer giving the maximum wind load the collector will sustain without damage to the cover plate material, or its mounting, and without the cover plate material coming in contact with the absorber plate. Wind load should be given in pounds per square foot.

Structural integrity of a collector under wind load conditions is related to mounting provisions and is therefore not addressed in this standard.

In determining structural strength of a collector, the collector may be considered as a unit to integrate the strengths of the enclosure, rigid insulation (if used), absorber plate, cover plate, and mounting provisions.

6. Provision for Component Inspection

Collectors submitted for test shall have provisions for physical inspection of internal components to determine the effects of testing. The modifications required to accomplish this end shall not alter the normal function of the collector. Physical inspection provisions shall be described.

STRUCTURAL CERTIFICATION

Collector Manufacturer
and Address:

Collector Model Number:

The undersigned, an engineer registered in the state of _____, does
certify that, having used generally accepted procedures, he/she has determined
that the wind load that may be sustained by the solar collector identified in
the heading above without damage to the cover plate material or its mounting
and without the cover plate coming in contact with the absorber plate is at
least _____ lb_f/ft^2 .

SEAL

Signed _____ Date _____

Typed Name _____

Registration No. _____

AGREEMENT FOR SOLAR COLLECTOR TESTING

1.0 Purpose

This is an agreement between the Florida Solar Energy Center (FSEC) and a manufacturer or distributor (herein called the "seller") for testing a solar collector for certification according to the methods described in FSEC 76-1 and for payment of a testing fee.

2.0 Agreement by FSEC

In consideration for payment by the seller of the testing fee according to the schedule of section 4.0, FSEC 76-2, FSEC agrees to:

- 2.1 Notify the seller of the schedule for testing his collector and the required collector delivery date.
- 2.2 Perform the requested collector tests according to the applicable method described by FSEC publication titled "Florida Solar Energy Center Test Methods and Minimum Standards for Solar Collectors," FSEC 76-1.
- 2.3 Conduct and complete tests as expeditiously as possible.
- 2.4 Promptly report damage or defects detected in a collector received for testing. Collectors damaged during testing as a result of FSEC staff negligence will be repaired or returned to the seller for replacement, either one at FSEC expense. The limit of FSEC liability for damage will be the seller's stated cost of materials and labor, but shall not exceed \$300.00. FSEC will provide the final determination in questions of responsibility for damage and will not be responsible for damage caused by vandalism or acts of God.
- 2.5 If a damaged collector cannot be tested on schedule, FSEC will schedule the repaired or replaced collector as the next to be tested following any then under test.
- 2.6 Promptly report to the seller any failure of the collector to meet the requirements of FSEC 76-1 and the cause for such failure.
- 2.7 Provide three copies of the test report to the seller. Questions on test results will be answered by FSEC.
- 2.8 Package the collector for return shipment in a suitable container provided by the seller.

3.0 Agreement by Seller

In consideration for collector testing services by FSEC, the seller agrees to:

- 3.1 Provide complete drawings and specifications of material, dimensions, and construction of the collector to be tested, as described in section 5.0 of FSEC 76-1 no later than the time of delivery of the collector.
- 3.2 Deliver the collector to FSEC, 300 State Road 401, Cape Canaveral, Florida, during normal working hours. Delivery to be at the seller's expense on or before the date requested by FSEC.
- 3.3 Pay testing fee no later than the date of delivery of collector to FSEC. Checks should be made payable to "Solar Energy Center Testing Trust Fund".
- 3.4 Provide a replacement collector for tests if damage or defects are found which hinder testing or influence the test results. If the damage is caused by actions of FSEC staff, the cost of furnishing the replacement collector will be an item for negotiation between the seller and FSEC, but in no case will the FSEC liability exceed \$300.00.
- 3.5 Provide packaging materials to be used for return shipping of the collector if the container it was shipped in is not suitable for the return shipment.
- 3.6 Arrange for and assume the cost of return shipment of the collector. Collectors not reclaimed within 90 days after issuance of the Test Report become the property of FSEC.
- 3.7 Recognize that results of tests performed under this program are considered to be in the public domain.

I have read, understood, and will abide by the above Testing Agreement.

Signature

Date

Company Name

*Federal Tax Identification Number

Collector Model to be Tested

* or Social Security Number of person signing

AGREEMENT FOR SOLAR COLLECTOR LABELING

1.0 Purpose

This is an agreement between the Florida Solar Energy Center (FSEC) and a manufacturer or distributor (herein called the seller) for the certification of a solar collector meeting the requirements of FSEC 76-1, and for regulations relative to display of the Label of Certification and the results of testing.

2.0 Scope

This agreement covers the labeling of and promulgation of test results for meeting the standards described by "Florida Solar Energy Center Test Methods and Minimum Standards for Solar Collectors," FSEC 76-1.

3.0 Agreement by FSEC

For a collector meeting the requirements of FSEC 76-1 and in consideration for payment of fees for collector testing and certification, FSEC will:

- 3.1 Provide labels certifying a collector, by model number, as meeting the minimum standards of the FSEC.
- 3.2 Furnish the seller one copy of a Consumer Summary Sheet summarizing and explaining the most significant test results.

4.0 Agreement by the Seller

In consideration for collector certification under the FSEC program the seller agrees to:

- 4.1 Represent a collector as certified only when it is manufactured of the same materials, and according to the same specifications and drawings as the collector that was actually certified.
- 4.2 Permanently affix a nameplate, per section 6.3.1 of FSEC 76-1, to each collector bearing the FSEC Label of Certification.
- 4.3 Notify FSEC of changes in collector materials or construction and accept FSEC's judgement relative to whether these changes constitute a model change requiring re-testing. If re-testing is not required, FSEC will note model changes in the Summary Data Sheet and Test Report and affirm the validity of the existing performance results.

- 4.4 Make copies of the FSEC Consumer Data Sheet available upon request.
- 4.5 Permit FSEC to select at any time a collector offered for sale or on display with the model number of the tested collector, and re-test at FSEC expense to demonstrate its conformance to specifications and performance given by the Final Test Report.

I have read, understood, and will abide by the conditions of the above Labeling Agreement.

Signature

Date

Company Name

Collector Model to be Labeled



THE GEORGIA
RETAILERS' AND
CONSUMERS'
SALES AND USE
TAX ACT OF 1951

AS AMENDED AND ANNOTATED
WITH
DATE OF AMENDMENTS SUPPLIED

DEPARTMENT OF REVENUE
SALES AND USE TAX UNIT
TRINITY-WASHINGTON BUILDING
ATLANTA, GEORGIA 30334

Museums
(4-3-72)

(y.1) The taxes levied by this Act shall not apply to the retail purchase, retail sale to, use, consumption, distribution, or storage within this State of objects of art and anthropological, archeological, geological, horticultural, and zoological objects or artifacts and other similar personal property by any museum for display or exhibition in such museum, but only if such museum is open to the public and has been approved by the State Revenue Commissioner as an organization eligible to receive tax deductible contributions. This Act shall apply to any purchase of tangible personal property at retail which meets the requirements of paragraph (y.1) in Section 1 of this Act for which the purchase price is due and payable after January 1, 1972.

Hatching &
Breeding
Equipment
(3-31-76)

(y.2) The sale of machinery and equipment used in the hatching and breeding of poultry and the breeding of livestock.

Rock Eagle
4-H Center
(3-5-76)

(z) Sales of tangible personal property and fees and charges for services by the Rock Eagle 4-H Center.

➡ Solar
Energy
Equipment
(7-1-76)

(z.1) Purchases of machines or equipment that will be attached to or become a part of agricultural, including animal and poultry husbandry operations, industrial, commercial or residential property and will be used directly in the conversion of solar energy for heating, or cooling, or drying, or water heating. For the purposes of this subparagraph, machines and equipment shall include all controls, tanks, pumps, heat exchangers, and other equipment used directly and exclusively for the conversion of solar energy for heating, or cooling, or drying, or water heating, but shall not include walls, roofs or equipment that would ordinarily be contained in a similar structure not designed or modified to use solar energy for heating or cooling or drying or water heating.

➡ Refund on
Solar
Energy
Equipment

Notwithstanding the provisions of this subparagraph, any person making a sale for any of the purposes specified herein shall collect the tax imposed thereon by this Act and remit the same to the Commissioner. To obtain the benefits hereof, the purchaser shall file a claim for refund with the Commissioner in the manner authorized by the general law, and, if the Commissioner determines that the requirements of this subparagraph have been met, he is hereby authorized to refund, without interest thereon, such portion of the tax paid by the purchaser as the Commissioner finds to be due under the provisions of this subparagraph. For the purposes of this subparagraph, the amount of tax paid by the purchaser shall be the amount paid the seller as tax less the amount the seller is allowed to retain as compensation for accounting for and remitting the tax. The State Revenue Commissioner may adopt rules providing procedures for applying for the refund authorized by this subsection and for certifying whether a particular purchase of such machines or equipment is entitled to the refund. This subparagraph shall be repealed and shall be null and void effective July 1, 1986.

TABLE I

GEORGIA OFFICE OF ENERGY RESOURCES

DIRECTOR

Clerical Staff

- Provides overall office management and direction
- Energy Advisory to Director of OPB; Georgia Council for Energy Resources; and Governor
- Liaison between Georgia Council for Energy Resources, its Chairman, and Governor
- Represents the Governor and the Council with all levels of government, U. S. Congress, General Assembly, academic institutions, and other groups or individuals
- Represents the Governor and the Council in giving speeches, hearings, conferences and on commissions at task forces
- Handles contact with news media

PROGRAM COORDINATION SECTION

- Administrative supervision to the Program Planning and Development Section and the Program Operations Section
- Directs all office activities in absence of Director
- Assists Director in performance of his or her duties
- Supervises and participates in the monitoring of federal and State energy legislation, rules and regulations, etc., and recommends actions to be taken
- Prepares with staff assistance testimony, speeches, correspondence
- Coordinates review of proposals, EIS, and A-95 reviews and development of Office's official positions
- Identifies funding sources and supervises grant application process
- Assesses feasibility and costs/benefits to the State of new energy technology developments
- Coordinates administrative functions of Office
- Coordinates office management information program data, and evaluation systems

POLICY AND PROGRAM PLANNING
SECTION

- Develop and maintain energy-related plans and programs mandated by federal or State laws; directed by Georgia Council for Energy Resources; and the Governor
- Develop energy-related grant applications and funding proposals to public and private sources
- Conduct planning analyses and studies on energy-related policy questions and proposals affecting the State
- Provide planning input in the assessment of proposed federal and State legislation, rules and regulations, proposals, testimony, speeches, and responses to inquiries
- Develop and maintain an Energy Data System on past and present energy consumption by economic sector for the State; and an economic-energy model.
- Provide technical assistance to public and private sectors in designing and developing energy-related plans and programs
- Develop and utilize data collection methodologies such as surveys, research studies, and questionnaires for planning and evaluation activities.

PROGRAM OPERATIONS
SECTION

- Develop, manage, and monitor technical energy-related contracts between the Georgia Office of Energy Resources and all levels of government, private and public entities, and academic institutions
- Administer grant programs secured and executed by the Georgia Office of Energy Resources
- Develop and implement energy-related programs or projects approved by the Director, OPB; the Georgia Council for Energy Resources or the Governor
- Develop and utilize for approved energy programs or projects management tools, such as work programs, schedules, and budgets.
- Evaluate all contracts to determine quality and benefit of results; and recommend modifications to existing or future contracts
- Apprise officials of funding sources of status and progress of contract; also respond to periodic inquiries and comply with reporting requirements
- Provide technical assistance of a management nature to public and private groups implementing or administering energy-related programs
- Provide management input in the assessment of proposed federal and State legislation, rules and regulations, proposals, testimony, speeches, and responses to inquiries

STATE OF HAWAII – DEPARTMENT OF TAXATION

FORM N-157	CLAIM FOR SOLAR ENERGY DEVICES TAX CREDIT (See reverse side)	TAXABLE YEAR
	Or fiscal year beginning _____, 19____, and ending _____, 19____	19____

ATTACH THIS CLAIM TO INDIVIDUAL INCOME TAX RETURN

Name	Social Security Number

REQUIREMENTS FOR CLAIMING TAX CREDIT

Each individual resident taxpayer who files an individual net income tax return for a taxable year may claim a 10% tax credit against the Hawaii state individual net income tax for a solar energy device purchased, erected and placed in use or service after December 31, 1974, but before December 31, 1981.

Individual members of partnerships, beneficiaries of estates and trusts, or shareholders of small business corporations are also required to attach to this claim an Information Statement Form N-157-A.

COMPUTATION OF TAX CREDIT

1. Total cost of solar energy devices (Attach copy of invoice) \$_____
2. Maximum Tax Credit allowable (Multiply line 1 by 10%) \$_____
3. Distributive share of Tax Credit from attached Form N-157-A \$_____
4. Carryover of Tax Credit from (____ Year) (____ Year) (____ Year) \$_____
5. Total of lines 2, 3, and 4 \$_____
6. Income tax liability—Enter amount from line 13, page 1 of Form N-12; or
line 7, page 1 of Form N-13, whichever is applicable \$_____
7. Tax Credit claimed—Enter here and on line 14, page 1 of Form N-12, or on line 8,
page 1 of Form N-13, the amount on line 5 or line 6, whichever is smaller \$_____
8. Carryover of Unused Tax Credit—Enter here the excess of line 5 over line 6; otherwise, enter zero
(Note: Excess Tax Credit may be used as a carryover in subsequent years until exhausted) \$_____

Note: If you are claiming only the Tax Credit due to distribution from a partnership, an estate and trust or a small business corporation, you may disregard lines 1 and 2 and begin on line 3; OR, if you are only claiming the Tax Credit due to carryover from a previous year, you may disregard lines 1 through 3 and begin on line 4.

"Sec. 235-12. Solar energy devices; income tax credit. (a) Each individual and corporate resident taxpayer who files an individual or corporate net income tax return for a taxable year, may claim a tax credit under this section against the Hawaii state individual or corporate net income tax. The tax credit may be claimed for a solar energy device in an amount not to exceed ten per cent of the total cost of the device. The credit shall be claimed against net income tax liability for the year in which the solar energy device was purchased and placed in use; provided the tax credit shall be applicable only with respect to solar devices which are erected and placed in service after December 31, 1974 but before December 31, 1981. Tax credits which exceed the taxpayer's income tax liability may be used as a credit against his income tax liability in subsequent years until exhausted.

• • •

"(c) As used in this section 'solar energy device' means any new identifiable facility, equipment, apparatus, or the like which makes use of solar energy for heating, cooling, or reducing the use of other types of energy dependent upon fossil fuel for its generation."

STATE OF HAWAII — DEPARTMENT OF TAXATION

FORM N-157A	INFORMATION STATEMENT CONCERNING CLAIM FOR SOLAR ENERGY DEVICES TAX CREDIT BY INDIVIDUAL OR CORPORATE MEMBERS OF PARTNERSHIPS, BENEFICIARIES OF ESTATES AND TRUSTS OR SHAREHOLDERS OF SMALL BUSINESS CORPORATIONS	TAXABLE YEAR 19____
Or fiscal year beginning _____, 19____, and ending _____, 19____		
Name (Partnership, Estate & Trust, Small Business Corp.)		<input type="checkbox"/> Partnership <input type="checkbox"/> Estate & Trust <input type="checkbox"/> Small Business Corp. Hawaii I.D. Number
Number and Street		
City or Town, State and ZIP Code		
Information Statement for:	Name (Individual or Corporation)	Social Security or Hawaii I.D. Number

INSTRUCTIONS: EVERY PARTNERSHIP, ESTATE AND TRUST OR SMALL BUSINESS CORPORATION IS REQUIRED TO PREPARE THIS STATEMENT FOR EACH INDIVIDUAL OR CORPORATE MEMBER, BENEFICIARY OR SHAREHOLDER, RESPECTIVELY, IN ORDER THAT THE PRORATED AMOUNT OF SUCH ENTITY'S TAX CREDIT MAY BE CLAIMED BY THE INDIVIDUAL OR CORPORATE TAXPAYER.

COMPUTATION AND DISTRIBUTION OF TAX CREDIT

 PART I
 (Partnerships)

- | | |
|--|----------|
| 1. Total cost of solar energy devices (Attach copy of invoice)..... | \$ _____ |
| 2. Maximum Tax Credit allowable (Multiply line 1 by 10%)..... | \$ _____ |
| 3. Tax Credit to be claimed by each member of partnership (Each partner shall enter on line 3, Form N-157 or line 3, Form N-306, whichever is applicable)..... | \$ _____ |

 PART II
 (Estates & Trusts)

- | | |
|--|----------|
| 4. Total cost of solar energy devices (Attach copy of invoice)..... | \$ _____ |
| 5. Maximum Tax Credit allowable (Multiply line 4 by 10%)..... | \$ _____ |
| 6. Tax Credit to be claimed by each beneficiary of estate and trust
(Each beneficiary shall enter on line 3, Form N-157)..... | \$ _____ |

 PART III
 (Small Business Corporations)

- | | |
|--|----------|
| 7. Total cost of solar energy devices (Attach copy of invoice)..... | \$ _____ |
| 8. Maximum Tax Credit allowable (Multiply line 7 by 10%)..... | \$ _____ |
| 9. Tax Credit to be claimed by each shareholder of small business corporation
(Each shareholder shall enter on line 3, Form N-157)..... | \$ _____ |

ATTACH THIS STATEMENT TO FORM N-157

SPECIFIC INSTRUCTIONS FOR FORM 40, PAGE 1 (Continued)

Refunds for overpayment of less than \$1 will not be made unless specifically requested in writing, signed and attached to the return at time of filing. No refund will be made unless a return claiming overpayment of withholding tax is filed within two years after the due date for filing such return. Overpayments will first be applied to past due taxes, but no credit will be carried forward against a future tax liability. Payments of less than \$1.00 are not required.

Extensions. Extensions of time for filing returns must be requested on or before the due date of the return (April 15, 1977)

Idaho Form 51 may be filed to obtain an automatic extension not to exceed 60 days. Payment of either 80% or more of the estimated tax due plus the \$10 Permanent Building Fund Tax must accompany the request or the payment must be the same as the total tax reported on the income tax return for the prior year. See instructions on the Form 51. If the return cannot be filed within the 60 days already requested, a further extension may be requested on Form 52 for as long as an additional four months. There must be a valid reason for requesting the additional extension and the reason must be stated in full.

SPECIFIC INSTRUCTIONS FOR FORM 40, PAGE 2

Part I. Complete this schedule if you have dependents other than your spouse and children. Refer to Federal instructions for information as to who may be claimed as a dependent.

Part II. This part is to be used if you have:

1. Income which is not taxable on your Federal return but which is taxable by Idaho.
2. Special Idaho Adjustments.
3. Itemized deductions
4. Income over \$20,000.
5. More than 10 exemptions.

Line 45. Bring forward your total income from line 28, page 1, and enter on line 45.

Line 46. Add any interest or dividend income from foreign securities and from securities of state and political subdivisions which is exempt from Federal taxation but is taxable by Idaho and is not included in your income above. Also add any net operating loss or capital loss carried forward, and deducted from income above, which was incurred in another state before you became a resident of Idaho. Explain in Part IV or attach schedule.

Line 48. Interest on most types of U.S. Government bonds is exempt from taxation by states. Deduct exempt interest on line 48 if included in your income above.

Those bonds on which interest is NOT exempt are: Farmers Home Administration, Federal Housing Administration, Postal Notes, U.S. Merchant Marine bonds, and Government National Mortgage Association bonds unless the creditor has defaulted and GNMA is paying the interest.

Deduct interest received from bonds issued by the State of Idaho and its political subdivisions, if included in your income above.

Deduct state income tax refund if included in your income above.

Deduct income received by an Indian from reservation sources if included in income on line 26 and if the recipient resides on an Indian reservation. An Indian not residing on a reservation is taxable on his income from all sources in the same manner as any other citizen.

Within the limits described below, certain U.S. Civil Service retirement annuities and retirement benefits of certain retired policemen, firemen and U.S. servicemen may be deducted by full-year residents of the State of Idaho as follows:

1. Retirement annuities paid by the U.S. to a retired civil service employee or the unremarried widow of such employee if the annuitant has attained age 65 or has attained age 62 and is disabled.
2. Retirement benefits paid from the firemen's retirement fund of the State of Idaho to a retired fireman or the unremarried widow of a retired fireman if the annuitant has attained the age of 65 or has attained the age of 62 and is disabled.
3. Retirement benefits paid from the policemen's retirement fund of a city within Idaho to a retired policeman or the unremarried widow of a retired policeman if the annuitant has attained the age of 65 or has attained age 62 and is disabled.
4. Retirement benefits paid by the United States to a retired member of the U.S. military services or the unremarried widow of such member if the annuitant has attained the age of 65 or has attained age 62 and is disabled.

The amount of retirement benefits to be deducted are as follows for 1976.

- a. Age 65 filing jointly with spouse, or age 62 and disabled and filing jointly with spouse, \$6,797.00.
- b. Age 65 and not married, or age 62 and disabled and not married, \$4,531.10.
- c. Unremarried widow of a retired U.S. civil service employee, retired fireman, retired policeman or retired serviceman age 65 or age 62 and disabled, \$4827.90

The amount to be deducted must have been included in income and if a lesser amount has been included in income, only such lesser amount will be allowed as a deduction in lieu of the amounts detailed in a, b, and c above. These amounts must also be reduced by the amounts of retirement benefits received by either or both spouses under the Federal Railroad Retirement Act or the Federal Social Security Act.

Retired State Police officers and other retired policemen and firemen whose annuities are paid by the Idaho Public Employees Retirement System are not eligible for these benefits.

1. Amount of the annuity received \$ _____
2. Maximum deduction allowed (per a, b, or c above) \$ _____
3. 1 or 2, whichever is the smaller \$ _____
4. Subtract retirement benefits received under the Federal Railroad Retirement Act, if any \$ _____
5. Subtract retirement benefits received under the Federal Social Security Act, if any \$ _____
6. Allowable deduction (3 minus 4 and 5) \$ _____

Retired Teachers. Annuities received under the old Teachers Retirement System (Title 33, Chapter 13, Idaho Code) are exempt from Idaho income tax. If income from such annuities is included in line 28, deduct the amount of annuity on line 48. Annuities received under the new Public Employees Retirement System (Title 59, Chapter 13, Idaho Code) are to be reported in the same manner as on the Federal return.

Persons receiving teacher retirement income from other states do not qualify for any exclusion on the Idaho return. Such income must be reported in the same manner as on the Federal return. Teachers who while teaching were regarded as State of Idaho employees and who retired after January 1, 1966 generally are not entitled to this deduction. Teachers who were not employees of the State of Idaho and retired after January 1, 1968 generally are not entitled to this deduction.

Enter in Part V, page 2, or attach an itemized list of all income exempt from taxation by Idaho.

DO NOT DEDUCT payments made to the Idaho Public Employees Retirement System.

DO NOT DEDUCT the Federal retirement credit or investment credit. These deductions are not allowed by Idaho law.

Line 49. Special Idaho Deductions. The 1976 Session of the Idaho Legislature enacted House Bill 468 which provides for deductions from total income for insulation and alternative energy devices installed in personal residences.

Insulation. To qualify for the deduction the insulation must be installed in your personal residence which was in existence on January 1, 1976. An existing residence is defined in the statute as

SPECIFIC INSTRUCTIONS FOR FORM 40, PAGE 2 (Continued)

▶ a building in being, under construction, or subject to an outstanding legal building permit on January 1, 1976. The insulation must be in addition to any existing insulation and not as a replacement. Insulation means any material commonly used in the building industry and actually installed for the purpose of retarding the passage of heat energy into or out of a building, including but not limited to, such items as fiberglass, rockwool, weatherstripping double pane windows and storm doors and windows. Amounts paid for insulation are deductible in full.

▶ **Alternative Energy Devices.** Such devices include any system or mechanism or series of mechanisms using solar radiation; wind, geothermal resource, or wood or wood products primarily to provide heating, to provide cooling, to produce electrical power, or any combination thereof. An alternative energy device includes a fluid to air heat pump operating on a fluid reservoir heated by solar radiation or geothermal resource but does not include an air to air heat pump. A built-in fireplace does not qualify as an energy saving device unless it is equipped with a metal heat exchanger that will deliver heated air to a substantial portion of the residence and is equipped with control doors and a regulated draft.

▶ Any individual who installs an alternative energy device in his personal residence may deduct from taxable income the following amounts actually paid or accrued: 40% of the amount that is attributable to the construction, reconstruction, remodeling, installation or acquisition of the alternative energy device in the year when such device is completed or acquired and is placed in service; and 20% per year thereafter for a period of three (3) consecutive years, provided, however, that the deduction shall not exceed \$5,000 in any one taxable year.

Explain in full in Part V or attach a schedule, indicating the amount paid for insulation, which is deductible in full, and the amount paid for alternative energy devices, which is deductible only in part, as indicated above.

Child Care. Idaho Deductions for child care for 1976 are the same as they were for 1975. The new Federal provisions are not applicable to Idaho for 1976. If you incur expenses for care of a dependent enter the allowed amount in Part V and include in the total on line 49. 1975 Federal Form 2441, which is available at the Tax Commission Offices, lists the requirements and limitations for this deduction. However, child care expenses may not be included in line 49 unless your other nonbusiness deductions are itemized and the total is entered on line 52.

STANDARD AND ITEMIZED DEDUCTIONS

Line 52. If you itemize your deductions, check the block, list them on Federal Schedule A and attach a copy of this schedule. These deductions are the same ones allowed on your Federal income tax return. Note the restriction in the preceding paragraph with reference to child care.

If you do not itemize your deductions on Federal Schedule A, and if you are not permitted to use the tax table, your standard deduction is 16% of line 28 with limitations as follows:

	At Least	Not to Exceed
Single person	\$1,600	\$2,300
Joint return	1,900	2,600
Surviving spouse	1,900	2,600
Single person, head of household	1,600	2,300
Separate return	950	1,300

SEPARATE RETURNS

For married individuals who file separate returns, the standard deduction must be computed either by taking 16% of Federal adjusted gross income (but not more than \$1,300), or using the Low Income Allowance which is \$950. Each spouse must use the same method in determining the standard deduction.

Idaho is a community property state and, in general, this means that each spouse has a one-half interest in the earnings of the other spouse. When filing separate returns, the income, withholding and deductions of both spouses must be divided equally between husband and wife.

An exception to this exists where one spouse has been abandoned by the other spouse. By treating the abandoned spouse as a single person, the law permits him or her to take advantage of the full low income allowance and head-of-household status. To see if you qualify as an abandoned spouse, consult the Federal tax instructions. If you do qualify as an abandoned spouse under Federal rules, compute your tax as a single person, or as head-of-household if you qualify. See "Filing Status" on page 4 of these instructions.

EXEMPTIONS

Line 53. You are allowed a \$750 deduction for each exemption claimed on line 17, page 1. The requirement for claiming an exemption is identical to the requirement for claiming an exemption on your Federal income tax return. Do not claim fractional exemptions.

Line 56. If you itemize your deductions, add back all state income taxes claimed.

COMPUTATION OF TAX

Line 58. Compute your tax from the proper schedule on page 2 of the Instructions. A single person or a married person filing separately will compute his tax under the "A" section of the tax computation schedule. Married persons filing joint returns, a head of a household (if so qualified on his Federal return) and a widow(er) with dependent child (if so qualified on his Federal return) should compute their tax under the "B" section of the tax computation schedule. Be sure to use the correct tax computation schedule. Carry the amount of the tax to line 29, page 1.

The Federal computation for income averaging is not allowed on the Idaho return.

Part III. In the spaces provided, or on an attached separate schedule, describe the source, type and amount of miscellaneous income and carry the total to line 25, page 1.

Part IV. Use these spaces, or attach a separate schedule, to describe interest and dividends not taxable under the Federal Code but which are taxable by Idaho, and to describe certain net operating losses and capital losses incurred outside of Idaho and not deductible from Idaho income. Carry the total to line 46, page 2.

Part V. Use these spaces, or attach a separate schedule, to describe the source, type and amount of income exempt from taxation by the state of Idaho and carry the total to line 48, page 2.

Also use these spaces, or attach a separate schedule, to describe deductions for home insulation, alternative energy devices, and child care. See instructions for line 49.

Part VI. If you received wages from more than one employer or if both spouses were employed, this schedule must be used to detail the employers' names, where you were employed, the amounts of Idaho income tax withheld, the amounts of income tax withheld for other states, and gross wages received.

Part VII. This section summarizes the various adjustments to which you may be entitled, such as sick pay, moving expense, employee business expense, and payments by self-employed persons to retirement plans. A copy of the required Federal form must be attached in addition to stating the final amount from the form on the appropriate line in Part VII. In addition to other information required on the schedule of moving expenses, Federal Form 3903, give date of move, location before move and location after move.

Note that Idaho sick pay deductions for 1976 are the same as they were for 1975. The new Federal provisions are not applicable to Idaho for 1976. 1975 Federal Form 2440, which is available at Tax Commission Offices, lists the requirements and limitations for this deduction.

Part VIII. This schedule provides the computation method, together with limitations, for the credit for income taxes paid to another state. All spaces must be completed by following the method specified. Attach a copy of the other state's income tax return to support the amounts taxable and the tax paid to the other state.

Form
K-35

KANSAS

SOLAR ENERGY CREDIT SCHEDULE

Name of Taxpayer (As shown on form to which attached)	Social Security Number
	Federal Identification Number

1. Address of solar energy system.

(Number, Street, and City)
2. Date system was completed, acquired, or placed into service.

Month Day Year
3. Check type of energy system.
_____ Solar _____ Wind
(Please attach a detailed description of the energy system)
4. If taxpayer acquired real property on which a solar energy system had previously been installed, from whom was the real property acquired?

Name

Number and Street

City and State _____ Zip Code
(Attach Schedule K-35a Certificate of Solar Energy System Transfer)

5. Adjusted basis of energy system: (See instructions)
- | | |
|--|-------|
| a. Cost of energy system | _____ |
| b. Installation cost of energy system | _____ |
| c. Adjusted basis of energy system (Add lines 5a and 5b) | _____ |

PART I PRINCIPAL DWELLING ENERGY SYSTEM CREDIT

6. Tax liability (Line 15 less lines 16, 17, and 18, page 1, form 40 or 40N)
7. Solar energy credit (25% of line 5c, or \$1,000, or line 6, whichever is less)
(Enter this amount on line 19, page 1, form 40 or 40N)
8. Solar energy credit carryforward (See instructions)

PART II BUSINESS ENERGY SYSTEM

9. Tax liability (See instructions)
10. Solar energy credit (25% of line 5c, or \$3,000, or line 9, whichever is less)
(Enter this amount on the appropriate form line. See instructions.)
11. Number of months in this taxable year the energy system was in use
12. Useful life of energy system for federal tax purposes (In months)
13. Federal depreciation percentage (See instructions) %
Method of Depreciation (Check one)
_____ Straight Line _____ Sum of the year's digits method
_____ Declining balance _____ Other (Explain) _____ %
14. Kansas amortization percentage (Divide line 11 by 60) %
15. Federal depreciation modification (Multiply line 5c by line 13)
(See instructions)
16. Kansas amortization deduction (Multiply line 5c by line 14)
(See instructions)
17. Prior year's accumulated Kansas amortization (See instructions)

INC/K-35

INSTRUCTIONS FOR CLAIMING THE SOLAR ENERGY CREDIT

SOLAR ENERGY CREDIT DEFINED: The solar energy credit may be deducted from a taxpayer's Kansas income tax liability if he/she completes the installation of a solar energy system in his/her principal dwelling or business facility; or if title was acquired to a principal dwelling or business facility in which an energy system has previously been installed.

The credit is available if installation was completed on or after January 1, 1976, and prior to July 1, 1983; or if the title was acquired after installation was completed during this period.

ENERGY SYSTEM DEFINED: A qualifying energy system may be either a solar system or a wind system.

SOLAR SYSTEM DEFINED: A solar system is a system of apparatus and equipment capable of converting radiant solar energy into heat or electrical energy and transferring the heat energy through a separate fluidic conduit or the electrical energy through a system of wires to a point of use (including, but not limited to, domestic water heating, space heating or cooling, electrical power device) or storage.

WIND SYSTEM: A wind system is defined as a system of apparatus and equipment capable of converting wind energy into mechanical or electrical energy and transferring the mechanical or electrical energy through a separate apparatus to the point of use or storage.

SPECIFIC INSTRUCTIONS

Line 1--Give the address of the property on which the energy system is located.

Line 2--Enter the month, day, and year in which the energy system was placed into service.

Line 3--Is The Energy System A Conventional System Converted to Solar Energy? Check the appropriate box. Describe the energy system, listing all the equipment constituting the energy system and state which type of energy the system provides such as: heating, cooling, electrical power, etc.

Line 4--If Taxpayer Acquired Real Property On Which A Solar Energy System Had Previously Been Installed, From Whom Was The Real Property Acquired? List the name and address of the party in the space provided. Attach Schedule K-35a, "Certificate of Solar Energy System Transfer," to this schedule.

Line 5--Adjusted Basis of Energy System: In determining the adjusted basis of an energy system, only costs that apply directly to the purchase and installation of a solar or wind system are allowable. For example, if the owner installs a solar hot water system, construction costs cannot include the installation of the hot water tank or hot water plumbing. Only the cost of purchase and installation of the solar unit and plumbing leading to the hot water tank would be allowable.

Line 5a--Enter the purchase price of the energy system. Attach a schedule showing how you arrived at the total purchase price.

Line 5b--Enter the total installation costs for the energy system. Attach a schedule showing how the total installation cost was calculated.

Line 5c--Adjusted Basis of Energy System: Add lines 5a and 5b.

PART I -- PRINCIPAL DWELLING ENERGY SYSTEM CREDIT

Line 6--Tax Liability: Enter the Kansas income tax liability after deducting other state tax credit, 337 liquidation credit, and business and job development credit for the year in which the credit is claimed (line 15 less lines 16, 17, and 18, page 1, form 40 or 40N).

Line 7--Solar Energy Credit: 25 percent of line 5c, or \$1,000, or the amount shown on line 6 above, whichever is less. Enter the credit on line 19, page 1, form 40 or 40N.

Line 8--Solar Energy Credit Carryforward: If the lesser of 25 percent of line 5c, or \$1,000, exceeds the amount shown on line 6, the difference may be claimed as a credit against your Kansas income tax liability for the next succeeding taxable year(s), until the total amount of the tax credit has been used. However, the credit cannot be carried over after the fourth year succeeding the year the credit was originally claimed.

PART II -- BUSINESS ENERGY SYSTEM

Line 9--Tax Liability: Enter the Kansas income tax liability from the form on which the credit is being claimed after subtracting the other state tax credit, 337 liquidation credit, and job development credit.

Line 10--Solar Energy Credit: Enter 25 percent of line 5c, or \$3,000, or the amount shown on line 9 above, whichever is less. Enter the credit on line 19, page 1, form 40 or 40N; line 16, page 1, form 41; line 30, page 1, form 120; or line 24, page 1, form 120S, whichever is applicable.

The credit for an energy system in a business facility cannot be carried forward. However, in addition to the credit, the taxpayer also may amortize the adjusted basis of the solar energy system ratably over a 60-month period.

If the taxpayer transfers title to the equipment for which he is claiming the amortization before completion of the 60-month amortization period, then the right to claim the amortization is lost or terminated in the month the property is transferred.

Individuals who claim amortization on a solar energy system must have itemized deductions on the federal income tax return. If the standard deduction is used on the federal income tax return, then amortization cannot be claimed on the Kansas return, form 40 or 40N.

Line 11--Enter the number of months in this taxable year the energy system was in use.

Line 12--Enter the useful life of energy system for federal tax purposes (In months).

Line 13--Federal Depreciation Percentage: Check the method of depreciation used for federal income tax purposes. Then, based on the entries on lines 11 and 12, determine your federal depreciation percentage.

Line 14--Kansas Amortization Percentage: Divide line 11 by 60.

Line 15--Federal Depreciation Modification: Multiply line 5c by line 13. Enter this amount on line 5, Part II, page 2, form 40; line 5, page 2, Part IV, form 40N; line 2c, page 1, form 41; line 8, page 1, form 120; or line 7, page 1, form 120S, whichever is applicable.

Line 16--Kansas Amortization Deduction: Multiply line 5c by line 14. Enter this amount on line 12, Part II, page 2, form 40; line 9, Part IV, page 2, form 40N; line 4, page 1, form 41; line 19, page 1, form 120; or line 16, page 1, form 120S, whichever is applicable.

Line 17--Prior Year's Accumulated Kansas Amortization: Enter the total amount of amortization claimed for the energy system in prior years.



Form
K-35a

KANSAS

CERTIFICATION OF SOLAR ENERGY TRANSFER

This form must be completed by the individual or firm from whom the taxpayer acquired real property on which an energy system had previously been installed. Attach this form to Schedule K-35, "Solar Energy Credit Schedule".

THAT _____
(Name of individual or firm transferring property)

TRANSFERRED THE TITLE TO PROPERTY LOCATED AT

(Address of the property transferred)

ON WHICH AN ENERGY SYSTEM HAS BEEN INSTALLED
AND ON WHICH THE SOLAR ENERGY CREDIT HAS NOT
PREVIOUSLY BEEN CLAIMED, TO _____
(Name of individual or

firm property transferred to) ON _____
(Date property transferred)

Under the penalties of perjury, I declare that I have examined this statement and to the best of my knowledge and belief, it is true and correct.

Signature of officer of the firm or individual Date
transferring property

INC/K35a



KANSAS

CORPORATION INCOME TAX

1976

Do not write in this space

PLEASE PRINT OR TYPE

For the year January 1-December 31, 1976, or other taxable year beginning 1976, ending 19			
Name		Date of Incorporation	
Number and street of principal office		State of Incorporation	
City	State	Zip Code	Federal Identification Number

Type of federal return filed:

1. ☐ Separate
2. ☐ Consolidated

3. If income is derived both within and without Kansas, has this corporation been required or authorized under KSA 79-3288, 79-3290, 79-3291, 79-32,141 or 79-32,142 to apportion business income by any method other than the three factor formula method based on separate company factors? ☐ Yes ☐ No

4. Federal taxable income	4	
5. State and municipal bond interest not specifically exempt from Kansas income tax	5	
6. Income taxes imposed by this state or any other taxing jurisdiction included in federal taxable income	6	
7. Federal net operating loss deduction	7	
8. Other additions to federal taxable income (See instructions) (Attach schedule)	8	
9. Total additions to federal taxable income (Add lines 5, 6, 7, & 8)	9	
10. Total (Add lines 4 & 9)	10	
11. Interest on obligations of the United States	11	
12. Refund of income taxes included in federal taxable income	12	
13. Ordinary partnership or other income both within and without Kansas	13	
14. Other subtractions from federal taxable income (See instructions) (Attach schedule)	14	
15. Total subtractions from federal taxable income (Add lines 11, 12, 13, & 14)	15	
16. Net income before adjustments (Subtract line 15 from line 10)	16	
17. Kansas net income (Line 16, Page 1; line 7, Part III, page 2; Sch. 121; or separate schedule)	17	
18. Federal income tax refunds previously deducted	18	
19. Other adjustments (See instructions) (Attach schedule)	19	
20. Total adjustments (Add lines 18 & 19)	20	
21. Net income before net operating loss deduction (Add line 17 to line 20)	21	
22. Kansas net operating loss deduction (See instructions)	22	
23. Income subject to Kansas income tax (Subtract line 22 from line 21)	[B] 23	
24. Normal tax (4½% of line 23)	24	
25. Surtax (2¼% of amount on line 23 in excess of \$25,000)	25	
26. Total tax (Add lines 24 & 25)	[F] 26	
27. Tax paid with extension request	[K] 27	
28. Estimated tax paid	[L] 28	
29. Business and job development credit (Attach schedule K-34)	[I] 29	
30. Solar energy credit (Attach schedule K-35) (If claimed as amortization do not enter credit)	[J] 30	
31. Total credits (Add lines 27, 28, 29, & 30)	31	
32. Balance due (If line 26 exceeds line 31)	[M] 32	
33. Interest	[N] 33	
34. Total tax & interest due (Add lines 32 & 33)	34	
35. Overpayment (If line 26 is less than line 31)	35	
36. Amount of line 35 you wish to be refunded	[P] 36	
37. Amount of line 35 you wish to be credited to 1977 estimated tax	[Q] 37	

Make check or money order payable to Kansas Department of Revenue—Corporation Income Tax

I declare under the penalties of perjury that to the best of my knowledge and belief this is a true, correct, and complete return.

sign here

Signature of officer

Title

(Date)

Individual or firm signature of preparer

Address

(Date)

INC120

ATTACH A COPY OF YOUR FEDERAL RETURN AND SUPPORTING SCHEDULES TO THIS RETURN

387-T

LINE 18—FEDERAL INCOME TAX REFUND: Enter on line 18 the amount of any federal income tax refund received during the taxable year to the extent a tax benefit was derived in Kansas for years beginning prior to January 1, 1972.

LINE 19—OTHER ADJUSTMENTS: Enter the net amount of the following adjustments (attach schedule):

- The amount of the income (or loss) received from a partnership, joint venture, syndicate, estate, or trust derived from Kansas sources including the Kansas adjustments determined by applying the Kansas modifications (enumerated in lines 5, 6, 7, 11, 12, and 14 of page 1, form 120) to the corporations distributive share of federal taxable income less the amount of gain (or loss) which was previously reported to Kansas in prior years;
- Any income (loss) under Section 337 of the Federal Internal Revenue Code. (Kansas law provides that each shareholder may claim a credit for his respective share of the tax paid by the corporation on a Section 337 gain by submitting a corporation liquidation schedule, form 120L);
- The amount of federal income tax (applicable to Kansas source income) paid during the current taxable year pertaining to a prior year's federal tax, but only if the federal income tax deduction in the prior year was on a cash basis. If the prior year's federal income tax deduction was on an accrued basis, then amended returns must be filed for the appropriate year to receive the corrected federal income tax deduction. (Kansas law does not allow a deduction for federal income tax for tax periods beginning after December 31, 1971.);
- The amount of allowable amortization of a certified oil production process that has been elected under the special Kansas provisions. (Complete and attach Schedule K-50 to your return.); OR
- The amount of allowable amortization of the adjusted basis of a qualified solar energy system used in your Kansas business that has been elected under the special Kansas provisions. See instructions for "Line 30—Solar Energy Credit" on page 4 of this booklet. (Complete and attach Schedule K-35 to your return.)

Schedules K-50 and K-35 and related instructions may be obtained upon request from the Kansas Department of Revenue, Division of Taxation, Income and Inheritance Tax Bureau, Box 692, Topeka, Kansas 66601.

LINE 20—TOTAL ADJUSTMENT: Enter on line 20 the total net adjustments from line 18 and 19.

LINE 21—NET INCOME BEFORE NET OPERATING LOSS DEDUCTION: Enter on line 21 the amount on line 17 plus or minus the amount on line 20.

LINE 22—KANSAS NET OPERATING LOSS DEDUCTION: Enter on line 22 the amount of any Kansas net operating loss carry-forward to which you are entitled. See K. S. A. 79-32.143. Submit schedule to support amount shown.

LINE 23—INCOME SUBJECT TO KANSAS INCOME TAX: Subtract line 22 from line 21. Enter result on line 23.

TAX

LINE 24—NORMAL TAX: Multiply the amount shown on line 23 by $4\frac{1}{2}\%$ and enter result on line 24.

LINE 25—SURTAX: Multiply the amount shown on line 23 in excess of \$25,000 by $2\frac{1}{4}\%$. Enter result on line 25.

LINE 26—TOTAL TAX: Add lines 24 and 25.

CREDITS

LINE 27—TAX PAID WITH EXTENSION REQUEST: The amount paid with the extension request (form E-1) or any amount paid as a prepayment other than estimated tax.

LINE 28—ESTIMATED TAX PAID: Enter on line 28 the amount of estimated tax the corporation has paid on the declaration of estimated tax for the current taxable year. This includes the amount of any 1975 overpayment which the corporation requested to be credited to the 1976 estimated tax account, plus all estimated tax payments made for the current tax year.

LINE 29—BUSINESS AND JOB DEVELOPMENT CREDIT: You may be entitled to claim a credit against your Kansas corporation income tax liability if you have acquired or leased and used a new business facility in Kansas after March 31, 1976, and prior to January 1, 1979. Certain replacement facilities and expansions of existing facilities may also qualify for the credit. To be eligible for the credit, the new business facility must have been a revenue-producing enterprise and a minimum of five new employees must have been added and maintained in employment at the new business facility for the taxable year for which the credit is claimed. The credit is an amount equal to \$50 for each new business employee and \$50 for each \$100,000 (or major fraction thereof) of new business facility investment, but is limited to an amount not to exceed more than 50% of the Kansas income tax on the taxpayer's new business facility income for the year in which the credit is claimed. The credit will be allowed for the taxable year during which commercial operations are commenced at the new business facility and may be carried forward for each of the nine succeeding taxable years. The credit carry-forward is available for all taxable years commencing after

December 31, 1975. Schedule K-34 must be completed and attached to your Kansas income tax return to claim this credit. Schedule K-34 and related instructions may be obtained upon request from the Kansas Department of Revenue, Division of Taxation, Income and Inheritance Tax Bureau, Box 692, Topeka, Kansas 66601.

LINE 30—SOLAR ENERGY CREDIT: You may be eligible for a credit against your Kansas corporation income tax liability if you complete installation of a solar energy system in your business facility; or if you acquired the title to your business facility in which a solar energy system has previously been installed.

The credit is available if installation was completed or if the title was acquired on or after January 1, 1976, and prior to July 1, 1983.

The solar energy credit allowed for a business facility is the lesser of the following amounts:

- 25% of the cost of the system including installation cost;
- \$3,000; OR
- An amount equal to your income tax liability for the taxable year in which the system was acquired.

The credit cannot be carried forward.

You may amortize the adjusted basis of the system over a 60-month period beginning with the month the system was completed or acquired. (See instructions for "Line 8—Other Additions to Federal Taxable Income" on page 3, and instructions for "Line 19—Other Kansas Adjustments" on page 4.)

If you are eligible to claim the credit or you elect to amortize the adjusted basis of the system, you must complete Schedule K-35 and attach it to your Kansas income tax return. Schedule K-35 and instructions may be obtained upon request from the Kansas Department of Revenue, Division of Taxation, Income and Inheritance Tax Bureau, Box 692, Topeka, Kansas 66601.

LINE 31—TOTAL CREDITS: Add lines 27, 28, 29, and 30. Enter the result on Line 31.

BALANCE DUE

LINE 32—BALANCE DUE: If line 26 is greater than line 31, subtract line 31 from line 26 and enter the result on line 32.

LINE 33—INTEREST: If you filed your Kansas return after the due date with an approved extension of time, compute the interest at the rate of $\frac{1}{2}\%$ per month of line 32, and enter the amount on line 33. (See General Instructions under "Penalty and Interest" for penalty and interest assessed on delinquent returns.)

LINE 34—TOTAL TAX AND INTEREST DUE: Add lines 32 and 33. Enter the result on line 34. If this amount is less than \$1.00, no payment need be made. Otherwise, make check or money order payable to the "Kansas Department of Revenue—Corporation Income Tax" and mail to Kansas Income Tax, Director of Taxation, Kansas Department of Revenue, State Office Building, Topeka, Kansas 66699.

OVERPAYMENT

LINE 35—OVERPAYMENT: If line 31 is greater than line 26, subtract line 26 from line 31 and enter result on line 35.

LINE 36—REFUND: Enter on line 36 that part of line 35 you wish to be refunded. No refund will be made for amounts less than \$1.00.

LINE 37—1977 ESTIMATED TAX: Enter on line 37 the amount of line 35 you wish to be credited to your 1977 estimated tax account.

ATTACH COPY OF YOUR FEDERAL RETURN

You must attach to your Kansas corporation income tax return a copy of your federal corporation income tax return as filed with the Internal Revenue Service, including all schedules.

Failure to attach a copy of your federal return will cause a delay in the processing of your Kansas corporation return.

SIGNATURE AND VERIFICATION

The return must be signed and sworn to by the president, vice-president or other principal officer.

If the return is prepared by a firm or corporation, the return should be signed in the name of the firm or corporation. Any person or persons who prepares the return for compensation must sign the return.

SPECIFIC INSTRUCTIONS FOR PAGE 2

PART I. ADDITIONAL INFORMATION

All corporations must answer all questions in Part I.

PART II. APPORTIONMENT FORMULA

Part II is to be used by corporations with income derived from sources both within and without Kansas for the purpose of allocating and apportioning income as provided in K. S. A. 79-3271 through 79-3287.



KANSAS

RESIDENT INDIVIDUAL INCOME TAX

1976

Do Not Write In This Space

For the year January 1-December 31, 1976, or other taxable year beginning _____, 1976 ending _____, 19__

First Name(s) and Initial(s)	Last Name	Your Social Security Number
Home Address (Number and Street or Rural Route)	School District Number	Spouse's Social Security Number
City, Town or Post Office, and State	Zip Code	County

Please Type or Print

Filing Status (Check ONE)

1. ☐ Single
2. ☐ Married filing joint return (even if only one had income)
3. ☐ Married filing separately. Give spouse's name and social security number.

4. Number of exemptions on your 1976 federal return ☐
5. If fractional year resident show number of months you were a Kansas resident _____
6. Did you file a 1975 Kansas return? ☐ YES ☐ NO
If no briefly explain _____

INCOME

7. Federal Adjusted Gross Income [A] 7
8. Modifications to Federal Adjusted Gross Income (Line 12, Part I) 8
9. Kansas Adjusted Gross Income (Line 8 added to or subtracted from line 7) [B] 9
- (If line 9 is less than \$15,000 and you do not itemize deductions, enter tax on line 15 from the appropriate table)

DEDUCTIONS

10. Standard Deduction-(See instr.) OR Itemized Deductions (Line 14, Part II) [C] 10
11. Federal Income Tax Deduction (Line 5, Part III) [D] 11
12. Exemption Allowance (\$600 × number of exemptions from line 4) [E] 12
13. Total Deductions (Add lines 10, 11, & 12) 13
14. Income Subject to Kansas Income Tax (Line 9 less line 13) 14

If you are using the optional tax tables, omit lines 10 through 14.

TAX

15. TAX (Check if from: Tax Tables ☐ or Tax Computation Schedules ☐ [F] 15

CREDITS

16. Credit for Taxes Paid to Other States (Line 7, Part IV) [G] 16
17. 337 Liquidation Credit (Attach Form 120L) [H] 17
18. Business & Job Development Credit (Attach schedule K-34) [I] 18
19. Solar Energy Credit (Attach schedule K-35) [J] 19
20. Total Credits (Add lines 16, 17, 18, & 19) 20
21. Balance (Line 15 less line 20) 21
22. Kansas Income Tax Withheld (Attach Kansas copies Form W-2) [K] 22
23. Estimated Tax Paid [L] 23
24. Total Prepaid Credits (Add lines 22 & 23) 24

Make check or money order payable to Kansas Department of Revenue—Income Tax

BALANCE DUE

25. Balance Due (If line 21 is greater than line 24) [M] 25
26. Interest _____ % of line 25 [N] 26
27. Total Tax & Interest Due (Add lines 25 & 26) 27

OVERPAYMENT

28. Overpayment (If line 21 is less than line 24) 28
29. Refund [P] 29
30. Amount of line 28 you wish to be credited to 1977 Estimated Tax [Q] 30

I declare under the penalties of perjury that to the best of my knowledge and belief this is a true, correct, and complete return.

sign here

(Signature of taxpayer)

(Date)

(Signature of preparer other than taxpayer)

(Date)

If joint return, BOTH husband and wife must sign even if only one had income

(Date)

(Address)

INC/40

ATTACH A COPY OF YOUR FEDERAL RETURN AND SUPPORTING SCHEDULES TO THIS RETURN

corresponding with the number of exemptions you claimed and your filing status. (See instructions for "Use of Optional Tax Tables" on page 13.)

If you itemized your deductions or if line 9 is \$15,000 or more, you must complete lines 10 through 14 to claim your allowable deductions. You may not claim Kansas itemized deductions unless you itemized deductions on your federal income tax return. If you itemized on your federal return, you may use either itemized deductions or the standard deduction on your Kansas income tax return.

LINE 10—STANDARD OR ITEMIZED DEDUCTIONS: Enter on line 10 the standard deduction or itemized deductions, whichever is applicable. If you itemize your deductions, complete Part II, page 2 of this return. (See instructions for "Part II—Itemized Deductions" on page 7.) If you elect to take the standard deduction, you may take the greater of.

SINGLE INDIVIDUALS: \$1,700 or 16% of your Kansas adjusted gross income up to a maximum of \$2,400.

MARRIED FILING JOINTLY: \$2,100 or 16% of your Kansas adjusted gross income up to a maximum of \$2,800; OR.

MARRIED FILING SEPARATELY: \$1,050 or 16% of your Kansas adjusted gross income up to a maximum of \$1,400.

LINE 11—FEDERAL INCOME TAX DEDUCTION: Enter on line 11 your federal income tax deduction from line 5, Part III, page 2. The federal income tax deduction is based on your actual federal income tax liability after all credits except the foreign tax credit. The deduction is NOT the amount of tax withheld. (See instructions for "Part III—Federal Income Tax Deduction" on page 8.)

LINE 12—EXEMPTION ALLOWANCE: Enter on line 12 your Kansas exemption allowance. This is determined by multiplying the number of exemptions claimed on line 4 by \$600.

LINE 13—TOTAL DEDUCTIONS: Add lines 10, 11, and 12. Enter the sum on line 13.

LINE 14—INCOME SUBJECT TO KANSAS INCOME TAX: Subtract line 13 from line 9. Enter the difference on line 14.

TAX

LINE 15—KANSAS TAX: If your adjusted gross income is more than \$15,000 or if you itemized your deductions, compute your tax on the amount entered on line 14, by using the appropriate Tax Computation Schedule located on page 8 of this booklet. Place a check mark in the "Tax Computation Schedule" box.

If you are using the Optional Tax Tables, enter the amount of tax on line 15 and place a check mark in the "Tax Tables" box.

LINE 16—CREDIT FOR TAXES PAID TO OTHER STATE(S): If you received income from other state(s) and you were required to pay income tax to the other state(s), you may be entitled to claim a tax credit against your Kansas income tax liability.

To determine your allowable tax credit for taxes paid to other state(s), complete Part IV, page 2. Enter the result from line 7, Part IV, page 2 on line 16, page 1. To receive credit for taxes paid to the other state(s) you must attach a copy of that state(s) return to your Kansas return. (See instructions for "Part IV—Credit for Taxes Paid to Other States" on page 8.)

LINE 17—337 LIQUIDATION CREDIT: If you were a stockholder in a corporation which liquidated during 1976, under the provisions of the Internal Revenue Code section 337, you may be entitled to a credit against your Kansas tax. Kansas law requires that any corporation which liquidated under the provisions of Internal Revenue Code section 337 pay the tax on any gain from such sale and each shareholder may claim credit for his respective share of the tax paid. You will be furnished form 120L by the liquidating corporation. You must attach this form to your Kansas income tax return. The liquidation credit to be entered on line 17 may not exceed your tax on line 15.

LINE 18—BUSINESS AND JOB DEVELOPMENT CREDIT: You may be entitled to claim a credit against your Kansas income tax liability if you have acquired or leased and used a new business facility in Kansas after March 31, 1976, and prior to January 1, 1979. Certain replacement facilities and expansions of existing facilities may also qualify for the credit.

To be eligible for the credit, the new business facility must be a revenue-producing enterprise and a minimum of five new employees must have been added and maintained in employment at the new business facility for the taxable year in which the credit is claimed.

The credit available is an amount equal to \$50 for each new business employee and \$50 for each \$100,000 (or major fraction thereof) of new business facility investment, but is limited to an amount not to exceed more than 50% of the Kansas income tax on the taxpayer's new business facility income for the year in which the credit is claimed. The credit will be allowed for the taxable year during which commercial operations are commenced at the new business facility and may be carried forward for each of the nine succeeding taxable years. The credit is available for all taxable years commencing after December 31, 1975.

Schedule K-34 must be completed and attached to your Kansas income tax return to claim the credit. Schedule K-34 and related instructions may be obtained upon request from the Kansas Department of Revenue, Division of Taxation, Income and Inheritance Tax Bureau, Box 692, Topeka, Kansas 66601.

LINE 19—SOLAR ENERGY CREDIT: You may be eligible for a credit against your Kansas income tax liability if you complete installation of a solar energy system in your principal dwelling or business facility, or if you acquire the title to your principal dwelling or business facility in which a solar energy system has previously been installed.

The credit is available if installation was completed or if the title was acquired on or after January 1, 1976, and prior to July 1, 1983.

The credit allowable for a principal dwelling is 25% of the cost of the system (including installation cost) or \$1,000, whichever is less. If the amount of the credit exceeds your income tax liability for the year in which the system was acquired, the excess credit may be carried forward to the next succeeding taxable year. In no case can the credit be carried forward more than four (4) taxable years succeeding the taxable year in which the system was acquired.

A solar energy credit allowed for a business facility is 25% of the cost of the system (including installation cost), or \$3,000; or an amount equal to your income tax liability in the taxable year for which the system was acquired, whichever is less. The credit cannot be carried forward. You may elect to amortize the adjusted basis of the system over a 60-month period beginning with the month the system was completed or acquired, in lieu of an income tax credit.

If you are eligible to claim the credit or you elect to amortize the adjusted basis of the system, you must complete Schedule K-35 and attach it to your Kansas income tax return. Schedule K-35 and instructions may be obtained upon request from the Kansas Department of Revenue, Division of Taxation, Income and Inheritance Tax Bureau, Box 692, Topeka, Kansas 66601.

LINE 20—TOTAL CREDITS: Add lines 16, 17, 18, and 19. Enter the result on line 20.

LINE 21—BALANCE: Subtract line 20 from line 15. Enter the result on line 21.

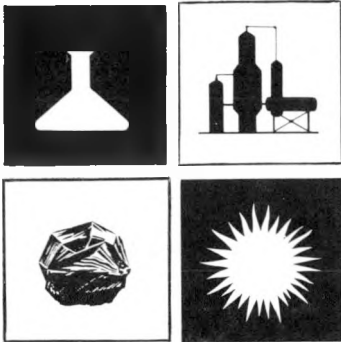
LINE 22—KANSAS INCOME TAX WITHHELD: Enter on line 22 the total amount of Kansas income tax withheld. Supporting forms W-2's or K-2's must be attached to your return or this credit will not be allowed.

LINE 23—ESTIMATED TAX: Enter on line 23 the amount of estimated tax you have credited to your 1976 estimated tax account. This includes the amount of any 1975 overpayment which you requested to be credited to your 1976 estimated tax account, plus all estimated tax payments made for the year 1976.

LINE 24—TOTAL PREPAID CREDITS: Add lines 22 and 23. Enter the result on line 24.

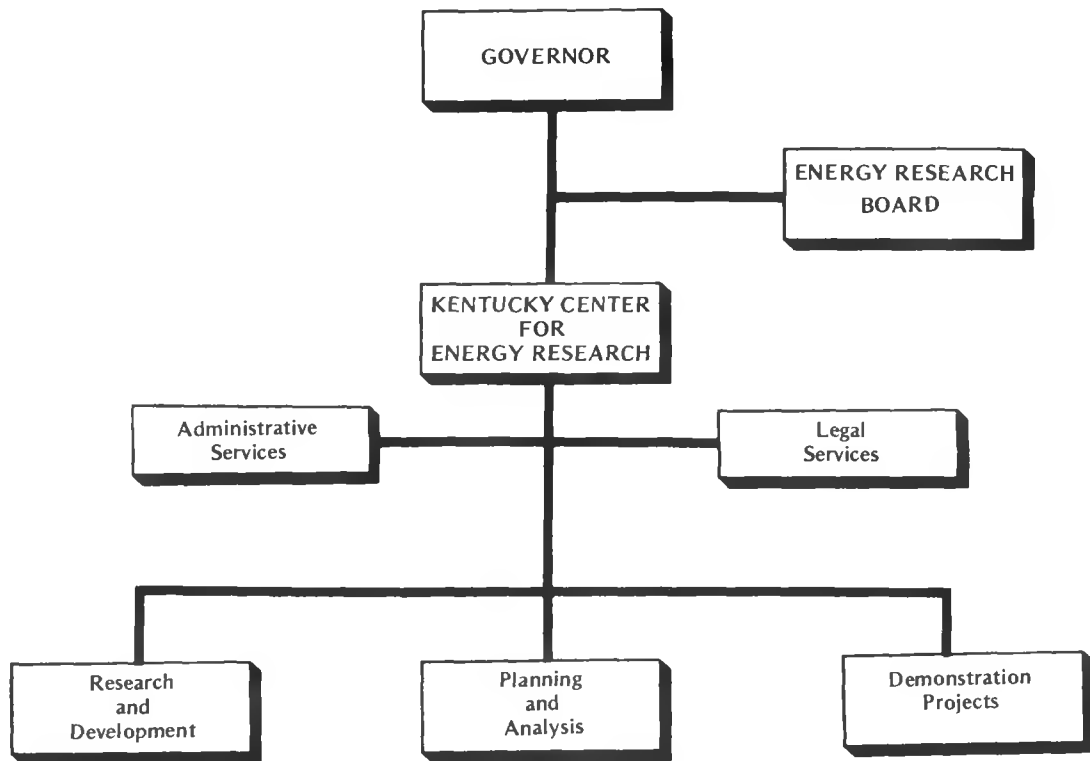
BALANCE DUE

LINE 25—BALANCE DUE: If line 21 is greater than line 24, subtract line 24 from line 21 and enter the balance due on line 25.



KENTUCKY CENTER FOR ENERGY RESEARCH

agency • mission • programs



agency

Governor Carroll created the Kentucky Center for Energy Research as a special-purpose state agency with an Administrator and an Energy Research Board appointed by and reporting directly to the Governor. The Center was created to provide day-to-day administration and management of two major state energy programs—research and development and demonstration projects. In addition, the climate and resources were established for effective energy planning and analysis to guide research, development, and demonstration efforts.

The Board is a fifteen member body composed of state officials, university deans, and private sector representatives. The Board provides guidance and assistance in program development and implementation, and is responsible for major demonstration project funding decisions. Organization of the Center is in accord with its mandate and the programs established and funded by the legislature. Two staff units have been made operational to handle administrative services and legal affairs for the Center. The three primary program areas (Planning and Analysis, Research and Development, and Demonstration Projects) are shown on the organizational chart.

The agency relates closely to the Universities of Kentucky and Louisville in regard to the research and development program. A close relationship also exists with the Departments of Energy and Commerce in the Kentucky Development Cabinet. The Center and the Department of Energy have developed a Memorandum of Understanding that provides the basis for a strong working relationship between the two agencies. The Department is primarily interested in energy conservation and management in the shorter term. On the other hand, the Center is primarily interested in new technology development for the longer term. The Department of Commerce is concerned with commercial and industrial development. The Center concentrates upon future coal-energy supplies to support economic development and upon strengthening the coal-energy industry through the application of innovative technology.

Special relationships exist between the Center and multi-state or regional agencies such as the Appalachian Regional Commission. The Commission serves as a source of funds for energy development projects and a vehicle for multi-state energy-related research activity. Growing relationships exist with other special purpose agencies such as the Southern Interstate Nuclear Board, the Tennessee Valley Authority and the Electric Power Research Institute. The Center's major federal relationship is with the U.S. Energy Research and Development Administration. Mutual interests exist with ERDA's Office of Planning and Analysis, Division of Fossil Fuels and Division of Commercialization. The Center anticipates a continuing cooperative relationship with ERDA on jointly funded projects in Kentucky.

mission

The Center's mission is to encourage innovative approaches to the development of adequate future supplies of energy to support the economic development of the Commonwealth and promote the general welfare of Kentuckians. A prerequisite for accomplishing this mission is the development, coordination, and communication of Kentucky's intermediate and long range strategies, plans, and programs for energy research, development and demonstration.

Since coal is Kentucky's most abundant fossil fuel, the strategic approach which guides the Center's programs focuses on coal conversion technology and coal utilization. Accordingly, the Center seeks to demonstrate efficient, environmentally acceptable and commercially feasible technologies, techniques, and processes for conversion of coal into clean fuels in liquid, gaseous, or solid forms. A major problem of developing clean coal-energy is one of economics. This is not to underrate the magnitude of the many technical problems of increasing coal production, direct burning of high-sulfur coal, or the conversion of coal to more usable clean forms of energy. Most important to the substantial development of our nation's most abundant fuel, coal, is a national policy with a coordinated set of action programs and other incentives. Private corporations are less than enthusiastic about entering this area with its intense capital demands and technological risk. A combination of direct engineering and construction support along with reasonable assurance of investment recovery is needed for the long-term development of a new coal-energy industry. Kentucky as a state is responding to the fullest extent possible to encourage this development.

The Center is pursuing an intensive research and development program designed to develop new, more effective, and environmentally acceptable uses and to improve and expand uses for Kentucky's fossil fuels, hydrocarbons and other natural resources. A major state laboratory facility has been established to carry out this work. The University of Kentucky Institute for Mining and Minerals Research is the Center's prime research contractor and as such operates the laboratory. This much-needed laboratory capability is used by both university and industry researchers. This entire program is aimed at applied research for improved coal utilization. Such an effort is mandatory if Kentucky is to maintain a leadership role in coal production and utilization.

Specific program goals have been established by the Center as follows:

- Develop strategies and plans for energy research, development and demonstration;
- Demonstrate commercially feasible technologies for conversion of coal into clean fuels; and
- Research and develop new and existing uses for Kentucky's natural resources.

The Center's programs are designed to contribute to the national effort to meet the intermediate and long range energy needs of the nation with domestic resources.

KENTUCKY

ENERGY CONSERVATION PLAN

A SUMMARY



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COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE
BUREAU OF BUILDING CONSTRUCTION
ONE ASHBURTON PLACE
BOSTON

REGULATIONS REQUIRING LIFE CYCLE COST ESTIMATES
FOR SOLAR AND WIND ENERGY UTILIZATION FOR CONSTRUCTION
BY PUBLIC AWARDDING AUTHORITIES

CHAPTER 433, ACTS OF 1976,
AMENDING CHAPTER 149 OF THE
GENERAL LAWS

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SCHEDULE A. BALANCE SHEET AT , 19.....

ASSETS		BOOK VALUE (a)	NET BOOK VALUE (b)	FEDERAL ADJUSTED BASIS (c)
TANGIBLE ASSETS WITHIN MASSACHUSETTS				
1. CAPITAL ASSETS IN MASSACHUSETTS:				
(a) Buildings		\$		
Reserve for depreciation				
Net buildings		\$		
Land			\$	\$
(b) Motor vehicles and trailers		\$		
Reserve for depreciation				
(c) Machinery taxed locally		\$		
Reserve for depreciation				
(d) Machinery not taxed locally:				
(i) Useful life of 4 years or more		\$		
Reserve for depreciation				
(ii) Useful life of less than 4 years		\$		
Reserve for depreciation				
(e) Equipment with useful life of 4 years or more		\$		
Reserve for depreciation				
(f) Equipment with useful life of less than 4 years		\$		
Reserve for depreciation				
(g) Fixtures		\$		
Reserve for depreciation				
(h) Leasehold improvements taxed locally		\$		
Reserve for amortization				
(i) Leaseholds and improvements not taxed locally		\$		
Reserve for amortization				
(j) Other fixed assets (Attach schedule)		\$		
Reserve for depreciation or amortization				
(k) Total capital assets in Massachusetts			\$	\$
2. INVENTORIES IN MASSACHUSETTS:				
(a) General merchandise				
(b) Exempt goods (Attach schedule)				
3. SUPPLIES IN MASSACHUSETTS				
4. TOTAL TANGIBLE ASSETS IN MASSACHUSETTS			\$	\$
TANGIBLE ASSETS OUTSIDE MASSACHUSETTS				
5. CAPITAL ASSETS OUTSIDE MASSACHUSETTS:				
(a) Buildings and other fixed depreciable assets		\$		
Reserve for depreciation or amortization				
6. INVENTORIES OUTSIDE MASSACHUSETTS				
7. SUPPLIES OUTSIDE MASSACHUSETTS				
8. Leaseholds and leasehold improvements outside Mass.				
Reserve for amortization		\$		
9. TOTAL TANGIBLE ASSETS			\$	\$
10. INVESTMENTS (Enter capital stock investment ONLY):				
(a) Massachusetts subsidiary corporations 80% or more owned (Attach sched.)				
(b) Massachusetts corporations less than 80% owned				
(c) Other investments (Attach schedule)				
11. Notes receivable	\$	Reserve \$		
12. Accounts receivable	\$	Reserve \$		
13. Cash				
14. OTHER ASSETS (Attach schedule)				
15. TOTAL ASSETS			\$	
LIABILITIES AND CAPITAL				
16. Mortgages on: (a) Massachusetts tangible property taxed locally			\$	
(b) Massachusetts tangible property not taxed locally				
(c) Tangible property located outside Massachusetts				
17. Bonds and other funded debt				
18. Accounts payable \$ Notes payable \$				
19. Notes payable to stockholders \$ and affiliates \$				
20. Miscellaneous current liabilities (Attach schedule)				

21. Taxes accrued (Attach schedule)				
22. Miscellaneous accrued liabilities (Attach schedule)				
23. TOTAL LIABILITIES				\$
24. Capital Stock:	PAR	SHARES ISSUED	AMOUNT	
(a) Common			\$	
(b) Preferred				
(c) Total capital stock issued			\$	
25. Paid-in or capital surplus (Attach reconciliation)				
26. Surplus reserves (Attach schedule)				
27. (a) Earned surplus and undivided profits				\$
(b) Undistributed Sub-Chapter S net income				
(c) Total				
28. TREASURY STOCK (Attach schedule)				
29. TOTAL LIABILITIES AND CAPITAL				\$

SCHEDULE A-1. LEASED PROPERTY

If the corporation is the LESSEE of any real estate or tangible personal property situated in Massachusetts, complete the following schedule.

Name of Lessor:

Address of Lessor:

Kind of Property Leased ☐ Real Estate ☐ Tangible Personal Property. Location in Massachusetts of Leased Property:

Street City or Town

SCHEDULE B. TANGIBLE OR INTANGIBLE PROPERTY CORPORATION CLASSIFICATION

NOTE: Enter all values as NET BOOK values from Schedule A, Column (b).

1. Total Massachusetts tangible property (Schedule A, Item 4)		\$
2. Massachusetts real estate (Schedule A, Item 1 (a))	\$	
3. Massachusetts motor vehicles and trailers (Schedule A, Item 1 (b))		
4. Massachusetts machinery taxed locally (Schedule A, Item 1 (c))*		
5. Massachusetts leasehold improvements taxed locally (Schedule A, Item 1 (h))		
6. Massachusetts tangible property subject to local taxation (Total of Items 2, 3, 4, and 5)		\$
7. Massachusetts tangible property not subject to local taxation (Item 1 minus Item 6)		\$
8. Total assets (Schedule A, Item 15)	\$	
9. Massachusetts tangible property subject to local taxation (Item 6 above)		
10. Total assets not subject to Massachusetts local taxation (Item 8 minus Item 9)	\$	
11. Income apportionment percentage (Separate Schedule F, Item 5)		\$
12. Allocated assets not subject to local taxation (Item 10 x Item 11)		\$
13. Tangible property per cent (Item 7 ÷ Item 12)		

NOTE: If Item 13 is 10% or more, complete Schedule C to determine taxable Massachusetts tangible property and do not complete Schedule D. If Item 13 is less than 10%, complete Schedule D to determine net worth and do not complete Schedule C.

* Manufacturing corporations enter zero in Item 4 above.

TANGIBLE PROPERTY CORPORATION

SCHEDULE C. VALUE OF TAXABLE MASSACHUSETTS TANGIBLE PROPERTY

(Complete this schedule only if Schedule B, Item 13 is 10% or more)

NOTE: Enter all values as per the FEDERAL ADJUSTED BASIS from Schedule A, Column (c).

1. Total Massachusetts tangible property (Schedule A, Item 4)		\$
2. Exempt Massachusetts tangible property:		
(a) Massachusetts real estate (Schedule A, Item 1 (a))	\$	
(b) Massachusetts motor vehicles and trailers (Schedule A, Item 1, (b))		
(c) Massachusetts machinery taxed locally (Schedule A, Item 1, (c))*		
(d) Mass. leasehold improvements taxed locally (Schedule A, Item 1, (h))		
(e) Exempt goods (Schedule A, Item 2 (b))		
(f) Cert. Mass. indust. waste/air treatment facilities		
(g) Cert. Mass. solar or wind power deduction		
3. Total exempt Massachusetts tangible property (Total of Items 2(a), (b), (c), (d), (e), (f) and (g))		
4. Taxable Massachusetts tangible property (Item 1 minus Item 3)		\$
(Enter Item 4 as Item 1 and enter zero as Item 2 in the Computation of Excise)		

*Manufacturing corporations enter zero in Item 2(c) above.

INTANGIBLE PROPERTY CORPORATION
SCHEDULE D. VALUE OF NET WORTH ALLOCATED TO MASSACHUSETTS
(Complete this schedule only if Schedule B, Item 13 is less than 10%)

NOTE: Enter all values as NET BOOK value from Schedule A, Column (b).

1. Total assets (Schedule A, Item 15)		\$	
2. Total liabilities (Schedule A, Item 23)		\$	
3. Massachusetts tangible property subject to local taxation (Schedule B, Item 6)		\$	
4. Less any mortgages thereon (Schedule A, Item 16 (a))			
5. Investments in Massachusetts subsidiaries which are 80% or more owned (Schedule A, Item 10 (a))			
6. Deductions from total assets (Total of Items 2, 4, and 5)			
7. Allocable net worth (Item 1 minus Item 6)		\$	
8. Income apportionment percentage (Separate Schedule F, Item 5)			
9. Taxable net worth (Item 7 x Item 8)		\$	
(Enter Item 9 as Item 2 and enter zero as Item 1 in Computation of Excise)			

SCHEDULE E-1. DIVIDENDS DEDUCTION

1. Total dividends (Federal Schedule C, Line 12)	1	\$	
2. Dividends from Massachusetts corporate trusts. (Attach schedule)		\$	
3. Dividends from non-wholly-owned DISCs (Attach schedule)			
4. Dividends, if less than 15% of voting stock owned:			
(a) On common stock			
(b) On preferred stock			
5. Subpart F income (Federal Schedule C, Line 6)			
6. Total taxable dividends (Total of Items 2 through 5)	6		
7. Dividends deduction. *Item 1 minus Item 6. Enter in Schedule E, Item 7.		\$	
*Attach schedule showing payers, amounts, and % of voting stock owned by class of stock.			

SCHEDULE E-2. LOSS CARRYOVER DEDUCTION

Use only if organized after 1971, if 50% or more of voting stock is not owned by any other corporation, and if Mass. loss in 1973, 1974, and/or 1975

Date of organization		(b) Massachusetts Loss	(c) Federal Carryback to prior years*	(d) Losses used, 1974 1975 Mass. Sched. E	(e) Total Used (c) plus (d)	(f) Loss Available (b) minus (e)
Year	Sched. E					
1. 1973	Item 6					
2. 1974	Item 5					
3. 1975	Item 5					
4. Loss carryover deduction (Column (f) Items 1, 2, and 3). Enter in Schedule E, Item 8.						\$
*Attach complete federal schedule of loss carryback and carryforward computation						

SCHEDULE E. TAXABLE INCOME

AN EXACT COPY OF ALL FOUR PAGES OF FEDERAL FORM 1120 OR 1120S AS FILED MUST BE ATTACHED TO THIS RETURN. THE FEDERAL 1120 SCHEDULES AND FORMS REQUIRED TO SUBSTANTIATE THE MASSACHUSETTS EXCISE MUST ALSO BE ATTACHED. NO CHANGES OR AMENDMENTS TO ANY FEDERAL ACCOUNT MAY BE MADE WITHOUT SUBMITTING A DETAILED EXPLANATION. ANY RETURN FILED WITHOUT THE COPY OF SUCH FEDERAL INFORMATION ATTACHED IS AN INCOMPLETE RETURN AND IS SUBJECT TO ASSESSMENT PENALTIES.

1. Net income as shown on Line 28, Federal Form 1120. See Instructions for DISC	1	\$	
2. State and municipal bond interest not included in Federal net income			
3. Foreign, state or local income, franchise, excise or capital stock taxes deducted from Federal net income			
4. Other adjustments. Attach schedule. See Instructions			
5. Total of Items 1, 2, 3 and 4	5	\$	
6. Capital gains on installment sales made prior to 1963 (Attach schedule)	6	\$	
7. Dividends deduction (Schedule E-1, Item 7)	7		
8. Loss carryover (Schedule E-2, Item 4)	8		
9. Total of Items 6, 7 and 8			
10. Income subject to apportionment. Item 5 minus Item 9		\$	
11. Income apportionment percentage. Separate Schedule F, Item 5*	11		
12. Item 10 (even if loss) multiplied by Item 11		\$	
13a. Certified Mass. industrial waste and air treatment facilities deduction	13a	\$	
13b. Cert. Mass. solar or wind power deduction	13b		
14. 25% of wages paid to poverty section employees. Sep. Schedule I-1, Item 3	14		
15. Income taxable in Massachusetts. Item 12 minus total of Items 13a, 13b and 14		\$	
(Enter as Item 4 in Computation of Excise. If loss, enter zero. See Instructions)			

*NOTE: If corporation carries on no business outside Massachusetts, enter 100%; otherwise complete Separate Schedule F.

SCHEDULE A. BALANCE SHEET AT , 19.....

ASSETS		BOOK VALUE (a)	NET BOOK VALUE (b)	FEDERAL ADJUSTED BASIS (c)
TANGIBLE ASSETS WITHIN MASSACHUSETTS				
1. CAPITAL ASSETS IN MASSACHUSETTS:				
(a) Buildings		\$		
Reserve for depreciation		\$		
Net buildings		\$		
Land			\$	\$
(b) Motor vehicles and trailers		\$		
Reserve for depreciation				
(c) Machinery taxed locally		\$		
Reserve for depreciation				
(d) Machinery not taxed locally:				
(i) Useful life of 4 years or more		\$		
Reserve for depreciation				
(ii) Useful life of less than 4 years		\$		
Reserve for depreciation				
(e) Equipment with useful life of 4 years or more		\$		
Reserve for depreciation				
(f) Equipment with useful life of less than 4 years		\$		
Reserve for depreciation				
(g) Fixtures		\$		
Reserve for depreciation				
(h) Leasehold improvements taxed locally		\$		
Reserve for amortization				
(i) Leaseholds and improvements not taxed locally		\$		
Reserve for amortization				
(j) Other fixed assets (Attach schedule)		\$		
Reserve for depreciation or amortization				
(k) Total capital assets in Massachusetts			\$	\$
2. INVENTORIES IN MASSACHUSETTS:				
(a) General merchandise				
(b) Exempt goods (Attach schedule)				
3. SUPPLIES IN MASSACHUSETTS				
4. TOTAL TANGIBLE ASSETS IN MASSACHUSETTS				
			\$	\$
TANGIBLE ASSETS OUTSIDE MASSACHUSETTS				
5. CAPITAL ASSETS OUTSIDE MASSACHUSETTS:				
(a) Buildings and other fixed depreciable assets		\$		
Reserve for depreciation or amortization				
6. INVENTORIES OUTSIDE MASSACHUSETTS				
7. SUPPLIES OUTSIDE MASSACHUSETTS				
8. Leaseholds and leasehold improvements outside Mass.				
Reserve for amortization		\$		
9. TOTAL TANGIBLE ASSETS			\$	\$
10. (a) Investments in capital stock investment ONLY \$ and advances to				
\$ foreign subsidiary corporations not doing business in				
Massachusetts (Attach schedule SEE INSTRUCTIONS)				
(b) Investments in capital stock ONLY in OTHER foreign corporations not				
registered and not doing business in Massachusetts				
(c) Other investments (Attach schedule)				
11. Notes receivable	\$	Reserve \$		
12. Accounts receivable	\$	Reserve \$		
13. Cash				
14. OTHER ASSETS (Attach schedule)				
15. TOTAL ASSETS			\$	
LIABILITIES AND CAPITAL				
16. Mortgages on: (a) Massachusetts tangible property taxed locally			\$	
(b) Massachusetts tangible property not-taxed locally				
(c) Tangible property located outside Massachusetts				
17. Bonds and other funded debt				
18. Accounts payable \$ Notes payable \$				
19. Notes payable to stockholders \$ and affiliates \$				
20. Miscellaneous current liabilities (Attach schedule)				

21. Taxes accrued (Attach schedule)			
22. Miscellaneous accrued liabilities (Attach schedule)			
23. TOTAL LIABILITIES			\$
24. Capital Stock:	PAR	SHARES ISSUED	AMOUNT
(a) Common			\$
(b) Preferred			
(c) Total capital stock issued			\$
25. Paid-in or capital surplus (Attach reconciliation)			
26. Surplus reserves (Attach schedule)			
27. (a) Earned surplus and undivided profits	\$		
(b) Undistributed Sub-Chapter S net income			
(c) Total			
28. TREASURY STOCK (Attach schedule)			
29. TOTAL LIABILITIES AND CAPITAL			\$

SCHEDULE A-1. LEASED PROPERTY

If the corporation is the LESSEE of any real estate or tangible personal property situated in Massachusetts, complete the following schedule.

Name of Lessor:

Address of Lessor:

Kind of Property Leased ☐ Real Estate ☐ Tangible Personal Property. Location in Massachusetts of Leased Property:

Street City or Town

SCHEDULE B. TANGIBLE OR INTANGIBLE PROPERTY CORPORATION CLASSIFICATION

NOTE: Enter all values as NET BOOK values from Schedule A, Column (b).

1. Total Massachusetts tangible property (Schedule A, Item 4)		\$
2. Massachusetts real estate (Schedule A, Item 1 (a))	\$	
3. Massachusetts motor vehicles and trailers (Schedule A, Item 1 (b))		
4. Massachusetts machinery taxed locally (Schedule A, Item 1 (c))*		
5. Massachusetts leasehold improvements taxed locally (Schedule A, Item 1 (h))		
6. Massachusetts tangible property subject to local taxation (Total of Items 2, 3, 4, and 5)		\$
7. Massachusetts tangible property not subject to local taxation (Item 1 minus Item 6)		
8. Total assets (Schedule A, Item 15)	\$	
9. Massachusetts tangible property subject to local taxation (Item 6 above)		
10. Total assets not subject to Massachusetts local taxation (Item 8 minus Item 9)	\$	
11. Investments ONLY in foreign corporations (Schedule A, Item 10 (a) less advances PLUS Schedule A, Item 10 (b))		
12. Assets subject to allocation (Item 10 minus Item 11)	\$	
13. Income apportionment percentage (Separate Schedule F, Item 5)		\$
14. Allocated assets (Item 12 x Item 13)		
15. Tangible property per cent (Item 7 ÷ Item 14)		

NOTE: If Item 15 is 10% or more, complete Schedule C to determine taxable Massachusetts tangible property and do not complete Schedule D. If Item 15 is less than 10%, complete Schedule D to determine net worth and do not complete Schedule C.

* Manufacturing corporations enter zero in Item 4 above.

TANGIBLE PROPERTY CORPORATION

SCHEDULE C. VALUE OF TAXABLE MASSACHUSETTS TANGIBLE PROPERTY

(Complete this schedule only if Schedule B, Item 15 is 10% or more)

NOTE: Enter all values as per the FEDERAL ADJUSTED BASIS from Schedule A, Column (c).

1. Total Massachusetts tangible property (Schedule A, Item 4)		\$
2. Exempt Massachusetts tangible property:		
(a) Massachusetts real estate (Schedule A, Item 1 (a))	\$	
(b) Massachusetts motor vehicles and trailers (Schedule A, Item 1, (b))		
(c) Massachusetts machinery taxed locally (Schedule A, Item 1, (c))*		
(d) Mass. leasehold improvements taxed locally (Schedule A, Item 1, (h))		
(e) Exempt goods (Schedule A, Item 2 (b))		
(f) Cert. Mass. indust. waste/air treatment facilities		
(g) Cert. Mass. solar or wind power deduction		
3. Total exempt Massachusetts tangible property (Total of Items 2(a), (b), (c), (d), (e), (f) and (g))		\$
4. Taxable Massachusetts tangible property (Item 1 minus Item 3)		
(Enter Item 4 as Item 1 and enter zero as Item 2 in the Computation of Excise)		

* Manufacturing corporations enter zero in Item 2(c) above.

INTANGIBLE PROPERTY CORPORATION
SCHEDULE D. VALUE OF NET WORTH ALLOCATED TO MASSACHUSETTS
(Complete this schedule only if Schedule B, Item 15 is less than 10%)

NOTE: Enter all values as NET BOOK value from Schedule A, Column (b).		
1. Total assets (Schedule A, Item 15)		\$
2. Total tangible assets (Schedule A, Item 9)		\$
3. Total intangible assets (Item 1 minus Item 2)		\$
4. Investments in and advances to certain foreign subsidiary corporations (Schedule A, Item 10(a))		\$
5. (Items 3 minus Item 4)		\$
6. Income apportionment percentage (Separate Schedule F, Item 5)		\$
7. Intangible assets allocable to Massachusetts (Item 5 x Item 6)		\$
8. Massachusetts tangible property not subject to local taxation (Schedule B, Item 7)		\$
9. (Item 7 plus Item 8)		\$
10. Net worth ratio (Item 9 ÷ Item 1)		\$
11. Total assets (Item 1 above)		\$
12. Total liabilities (Schedule A, Item 23)		\$
13. Net worth (Item 11 minus Item 12)		\$
14. Taxable net worth (Item 10 x Item 13)		\$
(Enter Item 14 as Item 2 and enter zero as Item 1 in the Computation of Excise)		

SCHEDULE E-1. DIVIDENDS DEDUCTION

1. Total dividends (Federal Schedule C, Line 12)		1 \$
2. Dividends from Massachusetts corporate trusts. (Attach schedule)		\$
3. Dividends from non-wholly-owned DISCs (Attach schedule)		\$
4. Dividends, if less than 15% of voting stock owned:		\$
(a) On common stock		\$
(b) On preferred stock		\$
5. Subpart F income (Federal Schedule C, Line 6)		\$
6. Total taxable dividends (Total of Items 2 through 5)		6 \$
7. Dividends deduction. *Item 1 minus Item 6. Enter in Schedule E, Item 7.		\$
*Attach schedule showing payers, amounts, and % of voting stock owned by class of stock.		

SCHEDULE E-2. LOSS CARRYOVER DEDUCTION

Use only if organized after 1971, if 50% or more of voting stock is not owned by any other corporation, and if Mass. loss in 1973, 1974, and/or 1975

Date of organization		Date of Mass. registration			
(a) Return	(b) Massachusetts Loss	(c) Federal Carryback to prior years*	(d) Losses used, 1974 1975 Mass. Sched. E	(e) Total Used (c) plus (d)	(f) Loss Available (b) minus (e)
Year	Sched. E				
1. 1973	Item 6				
2. 1974	Item 5				
3. 1975	Item 5				
4. Loss carryover deduction (Column (f) Items 1, 2, and 3). Enter in Schedule E, Item 8.					\$
*Attach complete federal schedule of loss carryback and carryforward computation					

SCHEDULE E. TAXABLE INCOME

AN EXACT COPY OF ALL FOUR PAGES OF FEDERAL FORM 1120 OR 1120S AS FILED MUST BE ATTACHED TO THIS RETURN. THE FEDERAL 1120 SCHEDULES AND FORMS REQUIRED TO SUBSTANTIATE THE MASSACHUSETTS EXCISE MUST ALSO BE ATTACHED. NO CHANGES OR AMENDMENTS TO ANY FEDERAL ACCOUNT MAY BE MADE WITHOUT SUBMITTING A DETAILED EXPLANATION. ANY RETURN FILED WITHOUT THE COPY OF SUCH FEDERAL INFORMATION ATTACHED IS AN INCOMPLETE RETURN AND IS SUBJECT TO ASSESSMENT PENALTIES.

1. Net income as shown on Line 28, Federal Form 1120. See Instructions for DISC		1 \$
2. State and municipal bond interest not included in Federal net income		\$
3. Foreign, state or local income, franchise, excise or capital stock taxes deducted from Federal net income		\$
4. Other adjustments. Attach schedule. See Instructions		\$
5. Total of Items 1, 2, 3 and 4		5 \$
6. Capital gains on installment sales made prior to 1963 (Attach schedule)		6 \$
7. Dividends deduction (Schedule E-1, Item 7)		7 \$
8. Loss carryover (Schedule E-2, Item 4)		8 \$
9. Total of Items 6, 7 and 8		\$
10. Income subject to apportionment. Item 5 minus Item 9		\$
11. Income apportionment percentage. Separate Schedule F, Item 5*		11 \$
12. Item 10 (even if loss) multiplied by Item 11		\$
13a. Certified Mass. industrial waste and air treatment facilities deduction	13a	\$
13b. Cert. Mass. solar or wind power deduction	13b	\$
14. 25% of wages paid to poverty section employees. Sep. Schedule I-1, Item 3	14	\$
15. Income taxable in Massachusetts. Item 12 minus total of Items 13a, 13b and 14		\$
(Enter as Item 4 in Computation of Excise. If loss, enter zero, See Instructions)		
*NOTE: If corporation carries on no business outside Massachusetts, enter 100%; otherwise complete Separate Schedule F.		

Corporations whose taxable year is a period of less than twelve calendar months may determine the final excise due by prorating by calendar months the following part only of the preliminary excise measures: (1) the excise at \$2.60 per \$1,000 on whichever applies of (a) the taxable Massachusetts tangible property of (b) the taxable net worth. Attach schedules showing such prorating computations.

If Item 14 exceeds Item 16, the balance due shown in Item 17 must be paid in full on or before the due date. If such payment is late, interest must be computed on the unpaid balance (Item 17) and entered in Item 18. If Item 14 is less than Item 16, enter the excess payment in Item 21. Such amount will be refunded without further action by the corporation.

Schedule A. Enter here the closing balance sheet of the corporation's taxable year covered by the return. The balance sheet is arranged to specify items which are required for subsequent schedules. All corporations are required to complete Columns (a), (b), and (c). Federal guideline lives may be used in Massachusetts also. The balance sheet values shall be the values as per the books. The Federal Adjusted Basis column amounts shall be determined under the U.S. Internal Revenue Code provisions in effect for the taxable year. 1 (h) and (i). See EXCISE RULING 1960-1.

1. (j). Enter here the amount of certified industrial waste and air pollution treatment facilities and solar/wind units for which a deduction has been claimed this year or in any prior year. Submit a copy of the certificate issued by the appropriate agency. See instructions for Schedule E, Item 13.

10. Enter investments in capital stock only. A subsidiary corporation is a corporation organized in Massachusetts and which the parent owns eighty per cent or more of the voting stock.

12. If the reserve for doubtful accounts exceeds two per cent of accounts receivable, attach complete explanation to enable a review and determination of the proper amount allowable.

16.(a) Enter mortgages on Massachusetts real estate, motor vehicles, machinery of a non-manufacturing corporation, and other tangible personal property situated in Massachusetts and subject to local taxation. Mortgages do not include conditional sales, pledges, or other types of security interest.

Attach a schedule containing proper explanation of any item.

Schedule A-1. A corporation which is the lessee of any real estate or tangible personal property in Massachusetts must submit the name and address of the owner of such property and the address in Massachusetts where such property is located. Failure to supply such information renders the tax return insufficient and subject to penalties. Attach additional schedule if necessary.

Schedules B, C, and D. A tangible property corporation is one whose tangible property situated in Massachusetts and not subject to local taxation is ten per cent or more of such portion of its total assets less those assets as are situated in Massachusetts and are subject to local taxation as the remainder of its net income attributable to business carried on in Massachusetts bears to the total remainder of its allocable net income. An intangible property corporation is one whose corresponding relationship is less than ten percent. In addition, a corporation may be classified as a tangible or intangible property corporation if, in the judgment of the Commissioner, it should be so classified.

All corporations must complete Schedule B using the NET BOOK values for assets on the last day of the taxable year to determine its classification.

If the corporation is a tangible property corporation, the excise is measured in part by Massachusetts tangible property not subject to local taxation. Such corporation must complete Schedule C using the FEDERAL ADJUSTED BASIS pursuant to the provisions of the U.S.I.R.C. in effect for the taxable year. A tangible property corporation should NOT complete Schedule D.

If the corporation is an intangible property corporation, the excise is measured in part by net worth allocated to Massachusetts. Such corporation must complete Schedule D using NET BOOK values, and it should NOT complete Schedule C.

Schedule E. An exact and complete copy of all four pages of the corporation tax return Form 1120 (or 1120S) filed with U.S. Internal Revenue Service must be attached and made part of the return. Those federal 1120 schedules and returns required to substantiate the Massachusetts excise must also be attached. Certain schedules submitted to the Internal Revenue Service can be omitted from the Massachusetts return. The following schedules, however, must be included: Cost of Goods, Other Income, Taxes, Contributions, Amortization, Other Deductions, and Loss Carryback and Carryforward. If schedules are used in lieu of printed Form 1120, copies of such schedules must be submitted. The Commissioner reserves the right upon request, to require any omitted schedule of Form 1120 to be submitted. Failure to submit the copy of federal Form 1120 or any required schedules constitutes the filing of an insufficient return and assessment penalties may be incurred.

1. Enter federal taxable income before net operating loss deduction and special deductions. If the corporation is the parent of a DISC the federal net income of the parent shall be reported to Massachusetts before any allocation of income, deductions, assets or liabilities is made to the DISC. The DISC income, which must be included in the parent's return, must be for the DISC taxable year which is the same taxable year as or the taxable year immediately following the close of the parent's taxable year. DISCS which are not wholly-owned are taxable as regular business corporations.

2. Add all interest received on State and municipal obligations not reported in federal net income.

3. State (Including Massachusetts), local and foreign income, franchise, excise or capital stock taxes which are the same as or similar to the Massachusetts corporation excise and which have been deducted from federal net income are not allowed as a deduction in computing Massachusetts taxable income.

4. Enter any additions to income not previously reported and attach schedule for explanation. If a deduction has been taken this year of in any prior year for investment in certified industrial waste and/or air pollution treatment facilities, add back in this item the amount of depreciation or amortization taken this year as a deduction in computing federal net income. If such facilities are sold during the year see Section 38D of Chapter 63, G.L.

7. **Dividends Deduction.** Complete Schedule E-1 and attach schedules as indicated. Sub-part F income, dividends from a Massachusetts corporate trust, dividends from a non-wholly owned DISC, and (under Chapter 722 of the Acts of 1974) dividends received from a corporation of which less than 15% of the voting stock is owned — are not deductible.

8. **Loss Carryover.** Complete Schedule E-2 and attach a complete federal schedule of loss carryback and carryforward computations. A corporation organized after 1970, may, for the first five years of existence, carryforward certain losses starting with losses incurred for taxable year ending on or after December 31, 1973. Loss carryovers are not allowed to any corporation if 50% or more of its voting stock is owned by another corporation. Loss carrybacks are not allowed. Losses incurred by a foreign corporation before it became subject to Massachusetts liability are not allowed. Any part of a loss incurred prior to 1973 that is included in a later federal loss carryover computation is not deductible. In addition, the federal loss is adjusted for differences between Massachusetts and federal taxable income.

11. If the corporation conducts business activities in another state which give such state the jurisdiction to tax the corporation, "Separate Schedule F, Income Apportionment" should be completed. Otherwise enter 100%.

13a. A deduction for expenditures paid or incurred in the construction of certified industrial waste and air pollution treatment facilities is allowed for construction initiated after January 1, 1966. If such deduction is claimed a copy of the certificate issued by the appropriate agency must be submitted together with a schedule showing the cost, allowable federal depreciation, date of construction, place of installation and proration, if any, of allowable amount. If such deduction is claimed, such facilities do not qualify for the 3% investment credit in cases where the property is otherwise eligible.

13b. A comparable deduction is allowed for any solar or wind powered climatic control or water heating unit (excluding ancillary units) in Massachusetts. Certification from the Director of the Bureau of Building Construction must be attached.

Poverty Area Credit and Deduction. A corporation operating an eligible business facility in an eligible section of substantial poverty, as certified by the Department of Community Affairs, is allowed, under Chapter 848 of the Acts of 1970, a credit against its excise liability, for a maximum of 10 years, equal to the portion of its real estate tax upon such facility represented by the equalized tax rate differential (the amount, if any, by which the equalized tax rate of the city or town exceeds the average state equalized tax rate) per \$1,000 of assessed valuation of said facility. The facility must be located in or contiguous to certain defined areas of concentrated unemployment or underemployment poverty areas, or areas containing poor or disadvantaged tracts. It must have approved training or assistance programs and hire at least 20% of its employees from said areas. The corporation is allowed to deduct an additional 25% of the compensation paid to such employees living in eligible sections of substantial poverty and working in a certified eligible business facility. To claim such credit and additional deduction, separate Schedule I must be completed and attached to the return. The credit is taken in Item 9 of the Computation of Excise; the additional deduction is taken in Item 14 of Schedule E or in Item 10 of Schedule H.

- b. taxable net worth, and
- 2. A tax of 9.50% on income attributable to Massachusetts.

Exceptions to General Rule. The law also provides for a minimum measure of tax of \$228.00.

Corporations whose taxable year is a period of less than twelve calendar months may determine the final excise due by prorating by calendar months the following part only of the preliminary excise measures: (1) the excise at \$2.60 per \$1,000 on whichever applies of (a) the taxable Massachusetts tangible property of (b) the taxable net worth. Attach schedules showing such prorating computations.

If Item 14 exceeds Item 16, the balance due shown in Item 17 must be paid in full on or before the due date. If such payment is late, interest must be computed on the unpaid balance (Item 17) and entered in Item 18. If Item 14 is less than Item 16, enter the excess payment in Item 21. Such amount will be refunded without further action by the corporation.

Schedule A. Enter here the closing balance sheet of the corporation's taxable year covered by the return. The balance sheet is arranged to specify items which are required for subsequent schedules. All corporations are required to complete Columns (a), (b), and (c). Federal guideline lives may be used in Massachusetts also. The balance sheet values shall be the values as per the books. The Federal Adjusted Basis column amounts shall be determined under the U.S. Internal Revenue Code provisions in effect for the taxable year. 1. (h) and (j). See EXCISE RULING 1960-1.

1. (j). Enter here the amount of certified industrial waste and air pollution treatment facilities and solar/wind units, for which a deduction has been claimed this year or in any prior year. Submit a copy of the certificate issued by the appropriate agency. See instructions for Schedule E, Item 13.

10. Enter investments in capital stock only. A foreign subsidiary corporation is defined as one in which the parent owns eighty per cent or more of the voting stock in accordance with Section 1504 of the U.S. I.R.C. Attach schedule showing for each foreign subsidiary corporation not doing business in Massachusetts the name, percentage of stock ownership, and the amounts of investments in and advances to.

12. If the reserve for doubtful accounts exceeds two per cent of accounts receivable, attach complete explanation to enable a review and determination of the proper amount allowable.

16. (a) Enter mortgages on Massachusetts real estate, motor vehicles, machinery of a non-manufacturing corporation, and other tangible personal property situated in Massachusetts and subject to local taxation. Mortgages do not include conditional sales, pledges, or other types of security interests.

Attach a schedule containing proper explanation of any item.

Schedule A-1. A corporation which is the lessee of any real estate or tangible personal property in Massachusetts must submit the name and address of the owner of such property and the address in Massachusetts where such property is located. Failure to supply such information renders the tax return insufficient and subject to penalties. Attach additional schedule if necessary.

Schedules B, C, and D. A tangible property corporation is one whose tangible property situated in Massachusetts and not subject to local taxation is ten per cent or more of such portion of its total assets less those assets as are situated in Massachusetts and are subject to local taxation and less its investments on the last day of the taxable year in foreign corporations not registered to do business nor doing business in Massachusetts as the remainder of its net income attributable to business carried on in Massachusetts bears to the total remainder of its allocable net income. An intangible property corporation is one whose corresponding relationship is less than ten per cent. In addition, a corporation may be classified as a tangible or intangible property corporation if, in the judgment of the Commissioner, it should be so classified.

All corporations must complete Schedule B using the NET BOOK values for assets on the last day of the taxable year to determine its classification.

If the corporation is a tangible property corporation, the excise is measured in part by Massachusetts tangible property not subject to local taxation. Such corporation must complete Schedule C using the FEDERAL ADJUSTED BASIS pursuant to the provisions of the U.S. I.R.C. in effect for the taxable year. A tangible property corporation should NOT complete Schedule D.

If the corporation is an intangible property corporation, the excise is measured in part by net worth allocated to Massachusetts. Such corporation must complete Schedule D using NET BOOK values, and it should NOT complete Schedule C.

Schedule E. An exact and complete copy of all four pages of the corporation tax return Form 1120 (or 1120S) filed with U.S. Internal Revenue Service must be attached and made part of the return. Those federal 1120 schedules and returns required to substantiate the Massachusetts excise must also be attached. Certain schedules submitted to the Internal Revenue Service can be omitted from the Massachusetts return. The following

schedules, however, must be included: Cost of Goods, Other Income, Taxes, Contributions, Amortization, Other Deductions, and Loss Carryback and Carryforward. If schedules are used in lieu of printed Form 1120, copies of such schedules must be submitted. The Commissioner reserves the right upon request, to require any omitted schedule of Form 1120 to be submitted. Failure to submit the copy of federal Form 1120 or any required schedules constitutes the filing of an insufficient return and assessment penalties may be incurred.

1. Enter federal taxable income before net operating loss deduction and special deductions. If the corporation is the parent of a DISC the federal net income of the parent shall be reported to Massachusetts before any allocation of income, deductions, assets or liabilities is made to the DISC. The DISC income, which must be included in the parent's return, must be for the DISC taxable year which is the same taxable year as or the taxable year immediately following the close of the parent's taxable year. DISCs which are not wholly-owned are taxable as regular business corporations.

2. Add all interest received on State and municipal obligations not reported in federal net income.

3. State (Including Massachusetts), local and foreign income, franchise, excise or capital stock taxes which are the same as or similar to the Massachusetts corporation excise and which have been deducted from federal net income are not allowed as a deduction in computing Massachusetts taxable income.

4. Enter any additions to income not previously reported and attach schedule for explanation. If a deduction has been taken this year or in any prior year for investment in certified industrial waste and/or air pollution treatment facilities, add back in this item the amount of depreciation or amortization taken this year as a deduction in computing federal net income. If such facilities are sold during the year see Section 38D of Chapter 63, G.L.

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APPLICATION FOR SOLAR, WIND, OR WATER ENERGY TAX EXEMPTION CERTIFICATE

(Act 135 of 1976, being Section 211.7(h), M.C.L.)

To be filed with: Local Assessing Officer
For Submission to:Michigan State Tax Commission
Department of Treasury
Lansing, Michigan 48922

Pursuant to the provisions of Section 211.7(h), M.C.L.

Applicant's Name

_____ hereby makes application for certification for tax exemption as a solar, wind,
or water energy conversion device located at _____
Street Address City or Township (Please Specify)_____, Michigan and hereby submits the following documents and information.
County

1. A copy of the plans, specifications and drawings of the device for which certification is requested.
2. A list of component parts and materials incorporated or to be incorporated in the heating, cooling, or electrical supply system designating all equipment acquired or to be acquired for purpose of providing an alternative solar, wind, or water energy conversion device.
3. A narrative statement which simply and completely explains the relation of the solar, wind, or water energy conversion device to the total heating, cooling, or electrical supply system. Separate those component parts which would be required regardless of the energy source utilized from those which are required only for solar, wind, or water energy conversion.
4. The cost of the facility to the applicant. (Indicate whether cost is actual and final, or an approximation or estimation.)

Total cost of heating, cooling or electrical supply system \$ _____

Cost of portion of device claimed to be exempt \$ _____

(If cost is approximation or estimation, actual and final cost must be furnished within 90 days from date of completion of construction of the facility.)

Applicant

By _____

Signature and Title

Date _____

NOTE: This application is to be prepared and filed in duplicate with the assessing officer. The assessing officer is to retain one copy of application and submit original application with attached exhibits to the State Tax Commission for approval.

FOR USE OF THE OFFICE OF THE STATE TAX COMMISSION

APPLICATION NO. _____

FILED IN THE OFFICE OF THE STATE TAX COMMISSION ON _____

RECOMMENDATION BY STAFF _____

DETERMINATION _____ CERTIFICATE NO. _____ DATE _____



WILLIAM G. MILLIKEN, Governor

ALLISON GREEN, State Treasurer

STATE OF MICHIGAN

DEPARTMENT OF TREASURY

STATE TAX COMMISSION

TREASURY BUILDING, LANSING, MICHIGAN 48922

Telephone 517 373-0500

COMMISSION MEMBERS

~~ROBERT K. PROCTOR, Chairman~~

WARD G. DEXEL

LEE H. CLARK

Since the appearance of an article in the newspaper with respect to solar energy, which informs the readers that solar energy facilities are exempt from property taxation, the State Tax Commission has received literally hundreds of inquiries, including yours, and it is necessary to respond by form letter.

At the outset, please be informed that the State Tax Commission has no information at all regarding the source of materials, plan or other information which would assist you in adding such a facility to a structure. The Tax Commission's responsibility is confined to examination of applications for the exemption from taxes for those facilities which would qualify for the exemption.

The article in the paper listed sources where you might obtain the plans and other necessary details to assist you in your desire to make use of solar heating and cooling systems.

Attached you will find the pertinent extract from the statute, Act 135 of 1976, a sample copy of the application form for the exemption and a page outlining the method by which the Commission would separate the exemption portion of a heating system from the taxable portion.

The actual application for the exemption is to be filed by the owner after completion of construction and installation of the energy conversion device. The owner can obtain the official application forms directly from the Tax Commission.

We trust that this is sufficient for your purpose.

Very truly yours,

Edward W. Kane
Secretary

EWK:mc



The property tax exemption for solar, wind or water energy conversion devices is intended to guarantee the property owner that the assessment will not include value attributable to those energy conversion devices. To accomplish this the assessor is to appraise the structure serviced partly or totally by such alternative energy source as if the energy converted to heating or cooling were supplied from conventional energy sources, such as combustion of oil, gas or coal or electrical resistance. In the case of a new building, the appraised valuation would be similar to the cost of the building and fixed equipment, less the amount of the exemption certificate.

Example of solar, wind or water energy tax exemption from property tax assessment:

Amount of tax exemption certificate was \$4,500 cost of materials and \$3,500 cost of labor and installation for total amount of \$8,000.

Case A - New facility where cost and appraisal would be comparable.

<u>Cost of structure without exempt device</u>	<u>Cost of exempt device per certificate</u>	<u>Total cost of structure</u>
\$ 40,000	\$ 8,000	\$48,000
Less amount of exemption certificate		<u>8,000</u>
Assessable true cash value.....		\$40,000

Case B - Older facility where original cost and appraisal would not be comparable.

<u>Appraisal of structure without exempt device</u>	<u>Cost of exempt device per certificate</u>	
\$ 50,000	\$ 8,000	
Assessable true cash value.....		\$50,000

An equalization problem could result because the assessment may not include value attributable to the exempt solar, wind or water energy conversion device. The assessment roll description should include a notation "Act 135 of 1976" to alert the county and state equalization authorities. Descriptions which enjoy the benefit of partial exemptions under Act 135 of 1976 may not be included in an assessment/sales ratio study because they would typically result in a ratio lower than for other similar property and thus overstate the valuation of that assessment unit.

PROPOSED

Standards of Performance
For Solar Energy Systems and Subsystems
Applied to Energy Needs of Buildings

Public Hearing
May 17, 1977

State of Minnesota
Department of Administration
Building Code Division
408 Metro Square Building
St. Paul 55101

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SBC 6102	Purpose
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SBC 6106	Solar Systems
SBC 6107	Solar Subsystems
SBC 6108	Appendices
Appendix A	Disclosure Statement Forms
Appendix B	Reference Standards and Test Methodology
Appendix C	Calculation Procedures - Solar Systems

New York State Energy Office

New York State Energy Office
Agency Building #2
Empire State Plaza
Albany, New York 12223

Printed in New York State

STATE ENERGY OFFICE

The State Energy Office was created effective August 25, 1976 by Chapters 819, 820 and 821 of the Laws of 1976. The legislation established broad policy mandates for the agency:

- To obtain and maintain an adequate and continuous supply of safe, dependable and economical energy for the people of the State;
- To encourage energy conservation in all energy consuming sectors of the State;
- To accelerate the development and use within the State of renewable energy sources.

The State Energy Office has been specifically directed to:

1. Coordinate and unify State agencies' positions on energy issues;
2. Establish energy options for consideration by the State's Energy Advisory Council and the Coalition of Northeast Governors;
3. Formulate and implement the State's Energy Conservation Plan pursuant to the Federal Energy Policy and Conservation Act of 1975;
4. Promote and package such specific measures as weatherization of low-income homes, retrofit projects for one-and-two-family dwellings, and federally financed energy conservation loan guarantees for large scale energy users.
5. Prepare the State's Energy Emergency Plan and administer Federal Energy Administration price control and allocation regulations.
6. Represent the State at U. S. Nuclear Regulatory Commission proceedings and inspect nuclear power generating plants within the State.

To perform its mandated functions the State Energy Office is organized into three major line bureaus: Policy Analysis and Planning, Program Development, and Operations, which includes emergency fuel allocation and nuclear-related responsibilities. The Office of the Commissioner is responsible for the agency's overall policy direction, while the Office of Counsel and the Administrative Services Section provide staff support for the entire agency.

In its first months of operation, the State Energy Office has begun work in several important areas. The Office has started discussions with Federal officials concerning the appropriate energy consumption projections to be used in establishing the base for the State's Energy Conservation Plan. In December the Office initiated a project of energy conservation among State Agencies, involving expert technical staff from the Office of General Services and high-level agency officials. The State Energy Office and the Department of State have begun preparations for the joint administration of a statewide home weatherization program funded through the Federal Energy Administration.

During the same period the State Energy Office prepared estimates of the impact anticipated OPEC oil price increases would have on the State's economy, reviewed the provisions of a proposed regional energy development corporation, and provided staff assistance to the Coalition of Northeast Governors in its initial sessions concerning the range of energy issues affecting this region of the country.

APPENDIX B

STATE LEGISLATION

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State of Arizona
Senate
Thirty-second Legislature
Second Regular Session

CHAPTER 156
SENATE BILL 1057

AN ACT

RELATING TO EDUCATION; PROVIDING THAT THE STATE BOARD OF EDUCATION SHALL ADVISE SCHOOL DISTRICTS ON CHOICE OF TEXTBOOKS; PROVIDING THAT SCHOOL DISTRICTS MAY REQUEST THE INSTITUTION OF CERTAIN ACTIONS; MAKING CONFORMING CHANGES; PROVIDING FOR SITE LOCATION FOR SOLAR ENERGY RESEARCH INSTITUTE, AND AMENDING SECTIONS 15-102, 15-442, AS AMENDED BY LAWS 1976, CHAPTER 68, SECTION 1, 15-1101, 15-1103 AND 15-1105, ARIZONA REVISED STATUTES.

1 2. If there is a decrease in the prices given to a person purchasing
2 such books from the publisher, the state shall have the benefit of the
3 decrease in price.

4 B. The publisher shall file with the board a statement sworn to
5 before some officer in the state, stating the lowest prices for which
6 his THE PUBLISHER'S series of textbooks is sold anywhere in the United
7 States. If the publisher of a school textbook adopted by the state
8 A SCHOOL DISTRICT issues a special edition of any book so adopted, or
9 essentially the same book, the state DISTRICT may substitute that special
10 edition at the net price at which it is sold elsewhere.

11 C. Every contractor who enters into any contract with the state
12 board for furnishing textbooks shall, upon request of a member of the
13 board, mail to the board a sworn price list of the textbooks which the
14 contractor furnishes or desires to furnish to the state.

15 Sec. 5. Section 15-1105, Arizona Revised Statutes, is amended
16 to read:

17 15-1105. Action on bond of contractor

18 If a contractor violates a condition of the contract entered into,
19 ~~by him~~, the attorney general shall, upon request of THE SCHOOL DISTRICT,
20 the governor or the state board of education, institute an action for
21 damages on the bond of the contractor.

22 Sec. 6. Site location for solar energy research institute

23 A. At such time as the permanent site of the national solar energy
24 research institute is to be placed in Arizona, the board of regents may
25 convey to the federal energy research and development administration three
26 hundred contiguous acres of the three hundred twenty acres of land owned
27 by the board and located at Price and Elliott roads in Tempe, Maricopa
28 county, Arizona, described as follows:

29 The northeast quarter and the southeast quarter of
30 section thirteen (13), township one (1) south, range four (4)
31 east, of the Gila and Salt River base and meridian.

32 B. The board may give to the energy research and development admin-
33 istration an option evidencing the board's intent to convey such real
34 property within five years of the execution of the contract between the
35 energy research and development administration and an operator-manager
36 for the operation of the solar energy research institute in Arizona.

Approved by the Governor - June 27, 1976

Filed in the office of the Secretary of State - June 28, 1976

State of Arizona
House of Representatives
Thirty-second Legislature
Second Regular Session

Chapter 3
HOUSE BILL 2018

AN ACT

MAKING APPROPRIATIONS TO THE SOLAR ENERGY RESEARCH COMMISSION.

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Appropriations; purposes
3 A. The sum of thirty-eight thousand five hundred dollars is
4 appropriated to the solar energy research commission for continuation of
5 present operations through the fiscal year ending June 30, 1976.
6 B. The sum of twenty-two thousand three hundred fifty dollars is
7 appropriated to the solar energy research commission for initiation of
8 major solar energy projects within the state.
9 Sec. 2. Lapsing of appropriation
10 The appropriation made in section 1, subsection B, shall not lapse
11 until the purposes for which the appropriation is made are accomplished
12 or abandoned, unless the appropriation stands through June 30, 1977 with-
13 out an expenditure therefrom or an encumbrance thereon.
14 Sec. 3. Emergency
15 To preserve the public peace, health and safety it is necessary
16 that this act become immediately operative. It is therefore declared to
17 be an emergency measure, to take effect as provided by law.

Approved by the Governor - March 19, 1976

Filed in the office of the Secretary of State - March 19, 1976

State of Arizona
House of Representatives
Thirty-second Legislature
Second Regular Session

CHAPTER 12

HOUSE BILL 2050

AN ACT

RELATING TO STATE GOVERNMENT; PROVIDING FOR THE SALE OF CERTAIN PUBLICATIONS
BY THE SOLAR ENERGY RESEARCH COMMISSION, AND AMENDING TITLE 41, CHAPTER 3,
ARTICLE 6, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-575.

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Title 41, chapter 3, article 6, Arizona Revised
3 Statutes, is amended by adding section 41-575, to read:
4 41-575. Publications
5 A. THE EXECUTIVE DIRECTOR MAY PREPARE OR HAVE PREPARED BOOKS,
6 PAMPHLETS, AND OTHER PUBLICATIONS RELATING TO SOLAR ENERGY AND SELL
7 OR RESELL SUCH PUBLICATIONS AT A PRICE SUFFICIENT TO COVER THE COST
8 OF PRINTING AND BINDING.
9 B. ALL MONIES DERIVED FROM THE SALE OF SUCH PUBLICATIONS ARE
10 APPROPRIATED TO THE APPROPRIATION ACCOUNT OF THE SOLAR ENERGY RESEARCH
11 COMMISSION. SUCH APPROPRIATIONS ARE EXEMPT FROM THE PROVISIONS OF
12 SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS, EXCEPT THAT ALL
13 MONIES REMAINING UNENCUMBERED OR UNEXPENDED ON DECEMBER 31, 1978 SHALL
14 REVERT TO THE GENERAL FUND.
15 Sec. 2. Expiration of act
16 The provisions of this act shall expire on December 31, 1978.

Approved by the Governor - April 20, 1976

Filed in the office of the Secretary of State - April 21, 1976

State of Arizona
House of Representatives
Thirty-second Legislature
Second Regular Session

CHAPTER 129
HOUSE BILL 2067

AN ACT

RELATING TO SOLAR ENERGY; PRESCRIBING PERIOD FOR AMORTIZATION OF SOLAR ENERGY DEVICES AS A DEDUCTION FROM INCOME TAXES; AMENDING SECTION 43-123.37, ARIZONA REVISED STATUTES, AND MAKING AN APPROPRIATION TO THE SOLAR ENERGY RESEARCH COMMISSION TO DEFRAY COSTS OF LOCATING INITIAL SITE FACILITY IN ARIZONA.

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 43-123.37, Arizona Revised Statutes, is
3 amended to read:
4 43-123.37. Election to amortize expenditures incurred in the
5 acquisition of any solar energy device designed
6 to produce heat or electricity
7 (a) General Rule. Any taxpayer may elect to amortize the
8 adjusted basis of any solar energy device, whether for residential,
9 commercial, industrial or governmental installations or experimental or
10 demonstration projects, designed to produce heat or electricity based
11 upon a period of ~~sixty~~ THIRTY-SIX months. In computing net income, such
12 amortization shall be allowed as a deduction ratably over the period
13 allowed under this subsection beginning with the month in which such
14 device is completed or acquired and is placed in service by the taxpayer.
15 This election shall be indicated by the taxpayer in an appropriate state-
16 ment in the taxpayer's income tax return for the taxable year of the
17 acquisition or completion and placement in service of such device. An
18 election to discontinue amortization with respect to the remainder of
19 the amortization period is permitted and shall be indicated by an appro-
20 priate statement in the taxpayer's income tax return for the taxable
21 year of discontinuance.
22 (b) Deduction in lieu of depreciation. The deduction provided
23 under subsection (a) shall be in lieu of any allowance for the exhaus-
24 tion, wear and tear of property used in a trade or business, or of

1 property held for the production of income, including a reasonable
2 allowance for obsolescence as provided under section 43-123.14.
3 (c) Determining the adjusted basis. In determining the adjusted
4 basis for the purposes of subsection (a), such device, shall include
5 only an amount that is properly attributable to the construction, recon-
6 struction, remodeling, installation or acquisition of such device.
7 (d) Definition. In this section and section 42-123.01, "solar
8 energy device" means a system or a series of mechanisms designed pri-
9 marily to provide heating, to provide cooling, to produce electrical
10 power, to produce mechanical power, or any combination thereof, by
11 means of collecting and transferring solar-generated energy into such
12 uses and which also may have the capability of storing such energy for
13 future utilization.
14 Sec. 2. Appropriation; purpose
15 The sum of two hundred fifty thousand dollars is appropriated to
16 the solar energy research commission for payment to the federal energy
17 research and development administration to defray costs of locating
18 in Arizona the initial site facility for the solar energy research
19 institute.
20 Sec. 3. Lapsing of appropriation
21 The appropriation made in section 2 of this act shall not lapse
22 until the purposes for which the appropriation is made have been
23 accomplished or abandoned, unless either:
24 1. The appropriation stands through June 30, 1977, without an
25 expenditure therefrom or an encumbrance thereon; or
26 2. The determination is made, prior to June 30, 1977, to locate
27 the federally funded solar energy research institute outside of the
28 state of Arizona.
29 Sec. 4. Expiration date
30 The provisions of section 1 of this act shall expire with the
31 taxable year beginning from and after December 31, 1984.
32 Sec. 5. Emergency
33 To preserve the public peace, health and safety it is necessary
34 that this act become immediately operative. It is therefore declared
35 to be an emergency measure, to take effect as provided by law.

Approved by the Governor - June 27, 1976

Filed in the office of the Secretary of State - June 28, 1976

State of Arizona
Senate
Thirty-second Legislature
Second Regular Session

SENATE JOINT RESOLUTION 1002

A JOINT RESOLUTION

TO THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION PLEDGING ASSISTANCE
TO ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION IN ESTABLISHING THE
SOLAR ENERGY RESEARCH INSTITUTE IN ARIZONA.

1 Whereas, the Congress of the United States has determined that a
2 National Solar Energy Research Institute be established to further
3 the development of solar energy as a means for relieving the growing
4 energy shortages which face our country and has assigned responsi-
5 bility for the creation of this institute to the Energy Research and
6 Development Administration; and
7 Whereas, the people of the State of Arizona acting through
8 their elected officials, Senators and Representatives are desirous
9 of supporting the efforts of the Energy Research and Development
10 Administration in establishing this institute, believing that it is
11 both in their interests and the national interests to do so; and
12 Whereas, the people of the State of Arizona acting through
13 their elected officials have already demonstrated their commitment
14 to solar energy by passing legislation establishing incentives for
15 solar energy development and preferential tax treatment for solar energy
16 installations; and
17 Whereas, the legislature has created the Arizona Solar Energy
18 Research Commission to carry out Arizona's solar energy program and
19 to work closely with the Energy Research Development Administration in
20 the national effort, and have appropriated funds for this purpose, and
21 further, intend to provide additional support as is appropriate to
22 rapidly stimulate the development and application of solar energy in
23 Arizona and the nation as a whole; and
24 Whereas, the State of Arizona ideally satisfies the requirements
25 which have been established for the National Solar Energy Research
26 Institute and additionally possesses solar radiation and availability
27 unequaled by any other region of our country, making it a major national
28 energy resource.

1 Be it resolved by the Legislature of the State of Arizona:

2 1. That the legislature pledges every appropriate assistance
3 to the Energy Research and Development Administration in establishing
4 the Solar Energy Research Institute in Arizona so that the institute
5 may be maximally productive in advancing the state of the art in solar
6 energy and hasten the day when solar energy may be a significant addition
7 to the energy resources of the United States.

8 2. That this offer of assistance may be fully seen, it is the
9 intention of the legislature to make available to the Energy Research
10 and Development Administration at the appropriate time one or more
11 suitable tracts of state-owned land for the institute and its related
12 facilities, to make available the resources of our extensive universities,
13 colleges and state institutions as may be appropriate, to authorize such
14 state efforts as may be appropriate to assist the Energy Research and
15 Development Administration during the founding and start-up phases of the
16 institute operations, and to provide continuing and coordinated efforts
17 by the State of Arizona in the solar energy area which will be supportive
18 to the efforts of the institute as well as of interest to the citizens of
19 the State of Arizona.

20 3. That the Secretary of State of the State of Arizona transmit
21 copies of this resolution to the President of the United States, the
22 President of the United States Senate, the Speaker of the House of
23 Representatives of the United States, the Administrator of the Energy
24 Research and Development Administration and to each member of the
25 Arizona Congressional delegation.

*Passed the Senate - March 12, 1976 by the following vote: 28 Ayes, 0 Nays,
2 Not Voting*

*Passed the House - April 27, 1976 amended by the following vote: 58 Ayes,
0 Nays, 2 Not Voting*

*Senate concurs in House Amendments and final passage - May 25, 1976 by
the following vote: 28 Ayes, 0 Nays, 2 Not Voting*

Approved by the Governor - May 26, 1976

Filed in the office of the Secretary of State - May 27, 1976

1 By: Representative J. B. Smith

H.R.

2

3

HOUSE RESOLUTION

4

FOR THE ESTABLISHMENT OF A THREE-MEMBER COMMITTEE OF THE

5

HOUSE OF REPRESENTATIVES TO BE APPOINTED BY THE SPEAKER, TO

6

STUDY THE FEASIBILITY OF ENACTING LEGISLATION TO PROVIDE

7

APPROPRIATE TAX INCENTIVES AND OTHER INCENTIVES TO ENCOURAGE

8

THE USE OF SOLAR ENERGY BY THE RESIDENTS OF THIS STATE.

9

10 WHEREAS, the current energy shortage has brought about a renewed interest
11 throughout the country in the use of solar energy; and

12 WHEREAS, several states have enacted or are considering legislation to
13 encourage and promote the use of solar energy; and

14 WHEREAS, such legislation has included tax exemptions and other incen-
15 tives which will likely result in the widespread use of solar energy
16 particularly for heating of homes and businesses; and

17 WHEREAS, the State of Arkansas is well located for taking advantage of
18 solar energy and the possibility of providing appropriate incentives for
19 residents of the State to use solar energy should be explored prior to
20 the 1977 regular session of the General Assembly,

21

22 NOW THEREFORE,

23 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE SEVENTIETH GENERAL
24 ASSEMBLY OF THE STATE OF ARKANSAS:

25

26 That the Speaker shall appoint a committee to be composed of three
27 members of the House of Representatives to study the feasibility of enacting
28 legislation to grant tax exemptions and other incentives for the use
29 of solar energy by the residents of this State. Such study shall include
30 a review of the laws enacted or proposed in other states relating to this
31 subject together with such other information and data as the committee
32 deems necessary or appropriate to determine the feasibility of enacting
33 legislation to provide such incentives.

34 BE IT FURTHER RESOLVED that the committee shall complete its study
35 on or before January 1, 1977, and shall report its findings and recommenda-
36 tions to the regular session of the 1977 General Assembly.

Senate Bill No. 218

CHAPTER 168

An act to amend Section 17055 of, to add Section 17052.5 to, to repeal Section 17052.5 of, to add Chapter 3.5 (commencing with Section 23601) to Part 11 of Division 2 of, and to repeal Chapter 3.5 (commencing with Section 23601) of Part 11 of Division 2 of, the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor May 20, 1976. Filed with
Secretary of State May 20, 1976.]

LEGISLATIVE COUNSEL'S DIGEST

SB 218, Alquist. Personal income tax deduction: solar energy device.

Existing state personal income tax law and bank and corporation tax law authorize a taxpayer to deduct from gross income a reasonable allowance for the depreciation of any solar energy device which is placed in service by such taxpayer, if such device is used in a trade or business or in the production of income.

This bill would authorize every taxpayer to elect to deduct from such taxes a credit of an amount equal to the lesser of 10% of the cost, or \$1,000, of the acquisition cost of such device on premises owned and controlled by the taxpayer, payment for which is made by the taxpayer during the taxable year or the income year, in lieu of any other deduction to which such taxpayer may be entitled, and would repeal such authorization on a specified date.

This bill would take effect immediately as a tax levy, but its operative effect would depend upon the time at which it becomes effective.

The people of the State of California do enact as follows:

SECTION 1. Section 17052.5 is added to the Revenue and Taxation Code, to read:

17052.5. (a) There shall be allowed as a credit against the amount of "net tax" (as defined in subdivision (e)) an amount equal to 10 percent or one thousand dollars (\$1,000), whichever is less, of the acquisition cost (including installation charges) of solar energy devices designed to produce heat or electricity, on premises in California which are owned and controlled by the taxpayer at the time of installation, payment for which is made by the taxpayer during the taxable year.

(b) The credit for such cost shall be in lieu of any deduction under this part to which the taxpayer otherwise may be entitled, if any.

(c) The basis of any device for which a credit is allowed shall be

reduced for the purposes of this part by an amount equal to the credit.

(d) In the case of a husband or wife who files a separate return, the amounts specified under subdivision (a) shall be 5 percent in lieu of 10 percent and five hundred dollars (\$500) in lieu of one thousand dollars (\$1,000).

(e) For the purposes of this section, the term "net tax" means the tax imposed under either Section 17041 or 17048 minus the credit for retirement income provided for in Section 17053, the credits for personal exemption provided for in Section 17054, and the credits for taxes paid other states provided for in Chapter 12 (commencing with Section 18001).

(f) The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the purposes of this section.

SEC. 2. Section 17055 of the Revenue and Taxation Code is amended to read:

17055. (a) Any individual, other than an active member of the armed forces of the United States or any auxiliary branch thereof, and his or her spouse, who is a nonresident for all or any portion of the taxable year shall deduct the minimum standard deduction provided by Section 17171 and the credits for personal exemptions and solar energy devices set forth in this chapter in the proportion that such individual's adjusted gross income from California sources bears to his adjusted gross income from all sources.

(b) An individual subject to the provisions of subdivision (a) must apportion the deduction provided for by Section 17171, regardless of the amount of his adjusted gross income, and shall not be permitted to determine his tax under the tax table provided in Section 17048.

SEC. 3. Chapter 3.5 (commencing with Section 23601) is added to Part 11 of Division 2 of the Revenue and Taxation Code, to read:

CHAPTER 3.5. TAX CREDITS

23601. (a) There shall be allowed as a credit against the taxes imposed by this part an amount equal to 10 percent or one thousand dollars (\$1,000), whichever is less, of the acquisition costs (including installation charges) of solar energy devices designed to produce heat or electricity, on premises in California which are owned and controlled by the taxpayer at the time of installation, payment for which is made by the taxpayer during the income year.

(b) The credit for such cost shall be in lieu of any deduction under this part to which the taxpayer otherwise may be entitled, if any.

(c) The basis of any device for which a credit is allowed shall be reduced for the purposes of this part by an amount equal to the credit.

(d) When either (1) the income from sources within this state of two or more corporations which are commonly owned or controlled is determined in accordance with Chapter 17 (commencing with

section 25101) of this part or Part 18 (commencing with Section 38001) of this division, or (2) two or more commonly owned or controlled corporations derive income from sources solely within this state, whose business activities are such that if conducted within and without this state, the income derived from sources within this state would be determined in accordance with Chapter 17 (commencing with Section 25101) of this part or Part 18 (commencing with Section 38001) of this division (hereinafter referred to as "wholly intrastate corporations"), then such corporations shall determine the credit prescribed in subdivision (a) as if such corporations were one corporation. As to wholly intrastate corporations, the amount of the credit prescribed in subdivision (a) shall be prorated among them in the ratio to which the cost of such device to each corporation bears to the total cost of such devices for all corporations.

(e) The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the purposes of this section.

SEC. 4. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect. However, the operative effect of the provisions of this act shall be as follows:

(a) Sections 1 and 2 of this act shall be applied in the computation of taxes for taxable years beginning on or after the first day of the calendar year in which this act becomes effective provided the effective date is more than 90 days prior to the last day of the calendar year. If the effective date is 90 days or less prior to the last day of the calendar year, Section 1 of this act shall apply in the computation of taxes for taxable years beginning on or after the first day of the calendar year following the effective date.

(b) Section 3 of this act shall be applied in the computation of taxes for income years beginning on or after the first day of the calendar year in which this act becomes effective provided the effective date is more than 90 days prior to the last day of the calendar year. If the effective date is 90 days or less prior to the last day of the calendar year, the provisions of this act shall apply in the computation of taxes for income years beginning on or after the first day of the calendar year following the effective date.

(c) The provisions of this act shall have no force or effect in the computation of taxes for taxable years and income years which begin on or after the first day of the calendar year commencing five years after the effective date of this act.

(d) Sections 1 and 3 of this act shall remain in effect only until the first day of the calendar year commencing five years after the effective date of this act, and as of such date are repealed, unless a later enacted statute, which is chaptered before such date, deletes or extends such date.

O

AMENDED IN ASSEMBLY JUNE 24, 1976

AMENDED IN ASSEMBLY JUNE 22, 1976

AMENDED IN SENATE JUNE 15, 1976

AMENDED IN SENATE JUNE 1, 1976

AMENDED IN SENATE MAY 20, 1976

SENATE BILL

No. 1524

Introduced by Senators Smith, Alquist, Dills, and Nejedly
(Coauthors: Assemblymen Calvo, Chimbole, Hart, Kapiloff,
and Vasconcellos)

February 2, 1976

An act to add Chapter 5.2 (commencing with Section 25410) to Division 15 of the Public Resources Code, relating to energy, and providing for the preparation, issuance, and sale of state bonds to create a fund to be used by the State Energy Resources Conservation and Development Commission to make loans for financing residential energy insulation and residential solar heating and cooling systems and to finance informational and educational programs respecting energy insulation and solar heating and cooling, and providing for submission of the bond measure to the people at a special election to be consolidated with the 1976 general election.

LEGISLATIVE COUNSEL'S DIGEST

SB 1524, as amended, Smith. Residential energy insulation and solar heating and cooling.

Nothing in current law authorizes the State Energy Resources Conservation and Development Commission to make loans to finance residential installations of energy insulation or solar heating or cooling systems.

This bill would authorize the commission to conduct such a loan program. *The commission would be required to determine overall eligibility criteria for the loan program and to allocate funds available for loans among the various types of eligible residential structures and climatic zones. The commission would be required to establish criteria against which each loan application would be assessed.* The bill would require ~~actual~~ administration of the loan program to be conducted by the California Housing Finance Agency pursuant to a contract with the commission; ~~would require such contract to provide for the agency to undertake specified loan default procedures; and would authorize such contract to provide for development of regulations by the agency for adoption by the commission.~~ The terms of such individual loans would be determined by the commission with the approval of the agency.

The bill would authorize the agency to enter into contracts with private lending institutions for screening, processing awarding, disbursement, servicing, and termination of such loans.

The bill would transfer the duties of the California Housing Finance Agency for loan administration under the bill to a state energy financing authority or a state energy credit acceptance corporation if either entity is established by a future legislative enactment.

The bill would provide, conditioned upon the approval of the state electorate, for the issuance of state bonds in a total amount not exceeding \$25,000,000, the proceeds of which are authorized for use in conducting the loan program. The bonds would be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law. The bill would require submission of the bond proposal to the electors in November of 1976.

The bill would create a Residential Energy Conservation Loan Fund, which would be continuously appropriated to the commission for the purposes of the bill, as prescribed.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 5.2 (commencing with Section 25410) is added to Division 15 of the Public Resources Code, to read:

**CHAPTER 5.2. RESIDENTIAL ENERGY
CONSERVATION LOAN PROGRAM**

Article 1. Loans

~~25410. The commission may, pursuant to this article,~~
25410. The commission may, pursuant to this article, establish a program of loans for financing installations in residential structures of energy insulation or solar heating or cooling systems meeting standards established by regulation of the commission in order to promote their widespread use. Responsibility for loan administration of such program shall be vested in the California Housing Finance Agency and shall be defined by a contract with the commission.

The contract shall include, but not be limited to, the following terms for interagency coordination:

- (a) Schedule for implementation of the program.*
- (b) Interagency management team.*
- (c) Resolution of disagreements.*
- (d) Funding of activities necessary to establish, plan, set requirements, implement, direct, and administer the program.*

25411. The commission shall establish market objectives and technical and market criteria for the loan program in order to best serve the purposes of this chapter and provide the greatest impact, and may limit the types of residential structures eligible for loans, but no loans shall be made with respect to structures of more than four dwelling units. The commission shall determine overall eligibility criteria for the loan program and shall allocate funds available for loans among the various types of eligible residential structures and climatic zones of the state.

1 *The commission shall establish criteria against which*
2 *each loan application shall be assessed in making the loan*
3 *decision. These criteria shall provide assurances which*
4 *shall include, but not be limited to, the following:*

5 *(a) That the project is technically well conceived and*
6 *properly sized for the local climate conditions, building*
7 *type, and building use.*

8 *(b) That the installation is correctly designed for*
9 *efficient collection of the solar energy, for safety, and for*
10 *proper integration with the conventional systems.*

11 *(c) That the installation will be properly made.*

12 *(d) That the economic and life cycle calculations for*
13 *the installation are correct.*

14 *(e) That certain minimum criteria are met by the*
15 *economic and life cycle calculations.*

16 25412. *The California Housing Finance Agency shall*
17 *be responsible for loan administration of the program*

18 *The agency, pursuant to this article and its contract*
19 *with the commission, may make loans in connection with*
20 *new construction or for improvement of an existing*
21 *structure, but loans shall not be made for solar heating*
22 *devices for swimming pools except in conjunction with*
23 *the financing of a complete solar heating or cooling*
24 *installation for a dwelling.*

25 *The agency shall:*

26 *(1) Establish the terms of the individual loans.*

27 *(2) Endeavor to provide for amortization schedules*
28 *with respect to loans which will permit timely transfers*
29 *to the General Fund under Section 25426.*

30 *(3) Establish interest rates thereon which may be less*
31 *than prevailing market rates, but such interest rates shall*
32 *be sufficient to reimburse the General Fund for interest*
33 *paid on bonds issued pursuant to Article 2 (commencing*
34 *with Section 25420) of this chapter.*

35 *The agency shall provide for securing the loans*
36 *through trust deeds or instruments of equivalent security*
37 *in a manner which will promote and maximize*
38 *conservation of nonrenewable energy sources while*
39 *maintaining the fiscal integrity of the program.*

40 *The agency shall take such other and further security*

1 *measures as are necessary to protect the lending*
2 *institution in the event of default.*

3 *The agency may enter into contracts with private*
4 *lending institutions in order to best serve the purposes of*
5 *this chapter and to provide for the screening, processing,*
6 *awarding, disbursement, servicing, and termination of*
7 *loans in accordance with criteria established pursuant to*
8 *Sections 25410 and 25411, and this section.*

9 *25413. The Residential Energy Conservation Loan*
10 *Fund is hereby created in the State Treasury. Moneys in*
11 *such fund are continuously appropriated to the State*
12 *Energy Resources Conservation and Development*
13 *Commission for the purpose of financing installations of*
14 *residential energy insulation or solar heating or cooling*
15 *systems through its contract with the California Housing*
16 *Finance Agency, as provided in this article, for defraying*
17 *the costs of establishing and administering such loan*
18 *program, and for transfers to other state funds as*
19 *required by Article 2 (commencing with Section 25420)*
20 *of this chapter. Moneys received by the California*
21 *Housing Finance Agency or the commission on account*
22 *of payments of the principal of, or interest on, such loans*
23 *shall be deposited in the fund.*

24 *25414. If a state energy financing authority or a state*
25 *energy credit acceptance corporation is established*
26 *through legislative enactment, the duties of the*
27 *California Housing Finance Agency in the loan*
28 *administration of the Residential Energy Conservation*
29 *Loan Fund, as provided herein, shall be transferred to*
30 *such authority or corporation.*

31 *establish a program of loans for financing installations in*
32 *residential structures of energy insulation or solar heating*
33 *or cooling systems meeting standards established by*
34 *regulation of the commission. Responsibility for actual*
35 *administration of such program shall be vested in the*
36 *California Housing Finance Agency and shall be defined*
37 *by a contract with the commission.*

38 *The California Housing Finance Agency, pursuant to*
39 *this article and its contract with the commission, may*
40 *make loans in connection with new construction or for*

1. improvement of an existing structure; but loans shall not
2 be made for solar heating devices for swimming pools
3 except in conjunction with the financing of a complete
4 solar heating or cooling installation for a dwelling.

5 The commission, in order to best serve the purposes of
6 this chapter and provide the greatest impact, may limit
7 the types of residential structures eligible for loans; but in
8 no event shall such loans be made with respect
9 structures of more than four dwelling units. The
10 commission, with the approval of the California Housing
11 Finance Agency, shall adopt such eligibility criteria for
12 borrowers, allocate funds available for loans among the
13 various types of eligible residential structures and
14 climatic zones of the state, and provide for securing the
15 loans in a manner as will promote and maximize
16 conservation of nonrenewable energy sources while
17 maintaining the fiscal integrity of the program. The
18 terms of such loans shall be prescribed by regulation of
19 the commission, which regulation shall not become
20 effective until it is submitted to, and has been approved
21 by, the California Housing Finance Agency, and interest
22 rates thereon may be less than prevailing market rates
23 but such interest rates shall be sufficient to reimburse the
24 General Fund for interest paid on bonds issued pursuant
25 to Article 2 (commencing with Section 25120) of this
26 chapter.

27 The contract between the commission and the
28 California Housing Finance Agency shall provide for the
29 agency to undertake actions on defaults on loans under
30 this chapter in the same manner as provided for defaults
31 of mortgages under Section 41202 of the Health and
32 Safety Code and may provide for development by the
33 agency of regulations for adoption by the commission
34 pursuant to this section. It is the intent of the Legislature
35 that the commission shall utilize the technical expertise
36 of the agency's staff in developing such regulations.

37 25111. The Residential Energy Conservation Loan
38 Fund is hereby created in the State Treasury. Moneys in
39 such fund are continuously appropriated to the State
40 Energy Resources Conservation and Development

~~Commission for the purpose of financing installations of residential energy insulation or solar heating or cooling systems through its contract with the California Housing Finance Agency, as provided in this article; for defraying the costs of administering such loan program; and for transfers to other state funds as required by Article 2 (commencing with Section 25420) of this chapter. Moneys received by the California Housing Finance Agency or the commission on account of payments of the principal of, or interest on, such loans shall be deposited in the fund.~~

~~25412. The commission, with the approval of the California Housing Finance Agency shall endeavor to provide for amortization schedules, with respect to loans made pursuant to this article, which will permit timely transfers to the General Fund under Section 25426.~~

Article 2. Bonds

25420. This article shall be known and may be cited as the Residential Energy Conservation Bond Law.

25421. Bonds in the total amount of twenty-five million dollars (\$25,000,000), or so much thereof as is necessary, may be issued and sold to provide a fund to be used by the State Energy Resources Conservation and Development Commission to provide loans to finance installations in residential structures of energy insulation and solar heating or cooling systems, as authorized by this chapter. The bonds shall be known and designated as Residential Energy Conservation Bonds. The proceeds of bonds issued pursuant to this article shall be deposited in the Residential Energy Conservation Loan Fund and may be expended only for the purposes specified in this chapter. When sold, such bonds shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California are hereby pledged for the punctual payment of both principal and interest on such bonds as such principal and interest become due and payable.

25422. The bonds authorized by this article shall be

1 prepared, executed, issued, sold, paid and redeemed as
2 provided in the State General Obligation Bond Law
3 Chapter 4 (commencing with Section 16720) of Part 3
4 Division 4, Title 2 of the Government Code, and all of the
5 provisions of that law are applicable to the bonds and to
6 this article, and are hereby incorporated in this article as
7 though set forth in full herein.

8 25423. As used in this article and for purposes of the
9 State General Obligation Bond Law, Chapter 4
10 (commencing with Section 16720) of Part 3, Division 4
11 Title 2 of the Government Code, the following terms shall
12 have the following meanings:

13 (a) "Bond" means a state general obligation bond
14 issued pursuant to this article.

15 (b) "Board" or "committee" means the State Energy
16 Resources Conservation and Development Commission
17 which shall have the powers and duties of the board and
18 committee prescribed by the State General Obligation
19 Bond Law.

20 (c) "Fund" means the Residential Energy
21 Conservation Loan Fund.

22 25424. There is hereby appropriated from the
23 General Fund in the State Treasury for the purposes of
24 this article, such sum annually as will be necessary to pay
25 the principal and interest on bonds issued and sold
26 pursuant to the provisions of this article as such principal
27 and interest become due and payable.

28 25425. There shall be collected each year and in the
29 same manner and at the same time as other state revenue
30 is collected such sum in addition to the ordinary revenues
31 of the state as shall be required to pay the principal and
32 interest on bonds maturing in that year; and it is hereby
33 made the duty of all officers charged by law with any duty
34 in regard to the collection of such revenue to do and
35 perform each and every act which shall be necessary to
36 collect such additional sum.

37 25426. On the several dates on which funds are
38 remitted pursuant to Section 16676 of the Government
39 Code for the payment of the then maturing principal and
40 interest on the bonds in each fiscal year, there shall be

returned into the General Fund in the State Treasury moneys from the Residential Energy Conservation Loan Fund in an amount which is sufficient for the payment of principal and interest on the bonds then due and payable. In the event moneys transferred from the Residential Energy Conservation Loan Fund to the General Fund on such remittance dates are less than the principal and interest then due and payable with respect to the bonds, then the balance remaining unpaid, together with interest thereon at the rate borne by such bonds compounded semiannually from the date of maturity, shall be returned into the General Fund out of the Residential Energy Conservation Loan Fund as soon thereafter as it shall become available.

SEC. 1.5. Section 1 of this act shall become operative on January 1, 1977, if the people adopt the Residential Energy Conservation Bond Law, as set forth in Section 1 of this act. This section and Sections 2 to 8, inclusive, of this act contain provisions relating to and necessary for the submission of the Residential Energy Conservation Bond Law to the people, and for returning, canvassing, and proclaiming the votes thereon, and shall take effect immediately.

SEC. 2. A special election is hereby called to be held throughout the state on the second day of November, 1976. The special election shall be consolidated with the general election to be held on that date. The consolidated election shall be held and conducted in all respects as if there were only one election and only one form of ballot shall be used. Except as otherwise provided in this act, all of the provisions of law relating to the submission of measures proposed by the Legislature shall apply to the measure submitted pursuant to this act. A ballot pamphlet shall be prepared, compiled, and distributed relating to the Residential Energy Conservation Bond Law as set forth in Article 2 (commencing with Section 25420) of Chapter 5.2 of Division 15 of the Public Resources Code, as proposed by this act. The Secretary of State shall distribute the ballot pamphlets to the county clerks not later than 45 days before the election, and the

1 county clerks shall commence to mail such pamphlets to
2 the voters not less than 15 days before the election. The
3 distribution of ballot pamphlets in all respects shall be
4 conducted in accordance with the provisions of Section
5 3573 of the Elections Code.

6 SEC. 3. At the special election called by this act there
7 shall be submitted to the electors Article 2 (commencing
8 with Section 25420) of Chapter 5.2 of Division 15 of the
9 Public Resources Code, as proposed in this act. All
10 provisions of this act shall control the submission of
11 Article 2 (commencing with Section 25420) of Chapter
12 5.2 of Division 15 of the Public Resources Code, as
13 proposed by this act, and the holding of, the special
14 election called by this act.

15 SEC. 4. Upon the effective date of this section
16 arguments for and against the measure hereby ordered
17 submitted to the electors shall be prepared in time, form,
18 and manner as provided in Article 1.8 (commencing with
19 Section 3527) of Chapter 1 of Division 4 of the Elections
20 Code.

21 SEC. 5. The special election provided for in this act
22 shall be proclaimed, held, conducted, the ballots shall be
23 prepared, marked, collected, counted and canvassed and
24 the results shall be ascertained and the returns thereof
25 made in all respects in accordance with the provisions of
26 the Constitution applicable thereto and the law
27 governing general elections insofar as provisions thereof
28 are applicable to the election provided for in this act
29 provided, however, that the Governor need not issue his
30 election proclamation until 30 days before the election

31 SEC. 6. Notwithstanding any other provision of law
32 all ballots at said election shall have printed thereon and
33 in a square thereof, the words: "For the Residential
34 Energy Conservation Bond Law" and in the same square
35 under said words the following in eight-point type: "This
36 act provides for a bond issue of twenty-five million dollars
37 (\$25,000,000) to provide funds for financing residential
38 energy insulation and residential solar heating and
39 cooling systems." In the square immediately below the
40 square containing such words, there shall be printed on

said ballot the words, "Against the Residential Energy Conservation Bond Law," and in the same square immediately below said words, in eight-point type shall be printed "This act provides for a bond issue of twenty-five million dollars (\$25,000,000) to provide funds for financing residential energy insulation and residential solar heating and cooling systems."

Opposite the words "For the Residential Energy Conservation Bond Law," and "Against the Residential Energy Conservation Bond Law," there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against said act, and those voting for said act shall do so by placing a cross opposite the words, "For the Residential Energy Conservation Bond Law," and those voting against the act shall do so by placing a cross opposite the words "Against the Residential Energy Conservation Bond Law," provided, that where the voting of such election is done by means of voting machines used pursuant to law in such manner as to carry out the intent of this section, such use of such voting machines and the expression of the voters' choice by means thereof, shall be deemed to comply with the provisions of this section. The Governor of this state shall include the submission of this act to the people, as aforesaid, in his proclamation for such election.

SEC. 7. The votes cast for or against the Residential Energy Conservation Bond Law shall be counted, returned and canvassed and declared in the same manner and subject to the same rules as votes cast for state officers; and if it appears that said act shall have received a majority of all the votes cast for and against it at said election as aforesaid, then the same shall have effect as hereinbefore provided, and shall be irrevocable until the principal and interest of the liabilities herein created shall be paid and discharged; but if a majority of the votes cast as aforesaid are against the Residential Energy Conservation Bond Law, then the same shall be and become void.

SEC. 8. Upon the effective date of this section, the

SB 1524

— 12 —

1 Secretary of State shall request the Legislative Analyst to
2 prepare an analysis of the measure in accordance with
3 Section 88003 of the Government Code. Such analysis
4 shall be filed with the Secretary of State within the time
5 specified in the Elections Code.

AMENDED IN ASSEMBLY APRIL 22, 1976

CALIFORNIA LEGISLATURE—1975-76 REGULAR SESSION

ASSEMBLY BILL

No. 2740

Introduced by Assemblyman Kapiloff

January 15, 1976

REFERRED TO COMMITTEE ON RESOURCES, LAND USE, AND ENERGY

An act to add Section 17959 to the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2740, as amended, Kapiloff (Res., L.U., & E.). Residential structures: solar energy.

The State Housing Law, except with respect to local variances permitted thereunder and building regulations enacted on or before November 23, 1970, generally requires county and city building codes to impose the same requirements as are contained in regulations of the Commission of Housing and Development governing the erection and construction of hotels, motels, lodging houses, apartment houses, dwellings, and buildings or structures accessory thereto. The regulations of the commission are required to substantially incorporate provisions of specified privately promulgated uniform codes. Nothing in the State Housing Law expressly authorizes counties and cities to alter their building codes to require a roof pitch and directional alignment suitable for installation of devices for the collection of solar energy.

This bill would authorize any city or county to require that new buildings subject to the State Housing Law be constructed ~~with~~ *in a manner permitting installation of solar heating,*

including but not limited to, a roof pitch and directional alignment suitable for retrofitting with solar energy collecting devices.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17959 is added to the Health
2 and Safety Code, to read:
3 17959. Any city or county may require, by ordinance
4 or regulation, that new buildings be constructed ~~with a~~ *in*
5 *a manner permitting the installation of solar heating,*
6 *including but not limited to,* roof pitch and directional
7 alignment suitable for retrofitting with solar energy
8 collecting devices subsequent to initial occupancy. Such
9 an ordinance or regulation shall specify a range of
10 permissible roof pitches and alignments which will
11 maximize efficiency for the collection of solar energy.

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CHAPTER _____

An act to amend Section 25600 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 3833, Suitt. State Energy Resources Conservation and Development Commission.

Under existing law, the State Energy Resources Conservation and Development Commission is required to develop and coordinate a program of research and development in alternative sources of energy.

This bill would authorize participation, as defined, in large-scale demonstrations of alternative energy systems sited in California in cooperation with federal agencies, regional compacts, other state governments, and other participants.

The bill would also provide that not more than one-half of the funds appropriated to the commission for research and development shall be expended for large-scale demonstration of alternative energy systems.

The people of the State of California do enact as follows:

SECTION 1. Section 25600 of the Public Resources Code is amended to read:

25600. The commission shall develop and coordinate a program of research and development in energy supply, consumption, and conservation and the technology of siting facilities and shall give priority to those forms of research and development which are of particular importance to the state, including, but not limited to, all of the following:

(a) Methods of energy conservation specified in Chapter 5 (commencing with Section 25400).

(b) Increased energy use efficiencies of existing thermal electric and hydroelectric powerplants and increased energy efficiencies in designs of thermal electric and hydroelectric powerplants.

(c) Expansion and accelerated development of

alternative sources of energy, including geothermal and solar resources, including, but not limited to, participation in large-scale demonstrations of alternative energy systems sited in California in cooperation with federal agencies, regional compacts, other state governments, and other participants. For purposes of this subdivision, "participation" shall be defined as any of the following: (1) direct interest in a project, (2) research and development to insure acceptable resolution of environment and other impacts of alternative energy systems, (3) research and development to improve siting and permitting methodology for alternative energy systems, (4) experiments utilizing the alternative energy systems, and (5) research and development of appropriate methods to insure the widespread utilization of economically useful alternative energy systems. Large-scale demonstrations of alternative energy systems are exemplified by the 100KW. to 100MW. range demonstrations of solar, wind, and geothermal systems contemplated by federal agencies, regional compacts, other state governments, and other participants.

(d) Improved methods of construction, design, and operation of facilities to protect against seismic hazards.

(e) Improved methods of energy demand forecasting.

(f) To accomplish the purposes of subdivision (c), an amount not more than one-half of the total state funds appropriated for the solar energy research and development program as proposed in the budget prepared pursuant to Section 25603 shall be allocated for large-scale demonstration of alternative energy systems.

energy in a manner which will decrease the environmental pollution per unit of energy generated or produced and lower the cost per unit of energy to the utility's consumers. Whenever any electrical, gas, heat, telephone, water, or sewer system corporation files an application to increase any rate of charge, other than an increase reflecting and passing through to customers only increased costs to the corporation, for the services or commodities furnished by it, the corporation shall furnish to its customers affected by the proposed increase notice of its application to the commission for approval of such increase. The corporation may include such notice with the regular bill for charges transmitted to such customers within 45 days if the corporation operates on a 30-day billing cycle, or within 75 days if the corporation operates on a 60-day billing cycle. The notice shall state the amount of the proposed increase expressed in both dollar and percentage terms, a brief statement of the reasons the increase is required or sought, and the mailing address of the commission to which any customer inquiries relative to the proposed increase, including a request by the customer to receive notice of the date, time, and place of any hearing on the application, may be directed.

(b) The commission may establish such rules as it considers reasonable and proper for each class of public utility providing for the nature of the showing required to be made in support of proposed increases, the form and manner of the presentation of such showing, and the procedure to be followed in the consideration thereof. Rules applicable to common carriers may provide for the publication and filing of any proposed increase together with a written showing in support thereof, giving notice of such filing and showing in support thereof to the public, affording an opportunity for protests thereto, and to the consideration of, and action on, such showing and any protests filed thereto by the commission, with or without hearing; provided that the proposed increase shall not become effective until it has been approved by the commission.

(c) The commission shall permit individual residential

public utility customers affected by a proposed rate increase to testify at any hearing on such proposed increase, except that the presiding officer need not allow repetitive or irrelevant testimony and may conduct the hearing in an efficient manner.

AB 4032

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CHAPTER _____

An act to amend Section 454 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 4032, Kapiloff. Public utilities: rate increases.

Existing law provides that no public utility shall raise any rate or so alter any classification, contract, practice, or rule as to result in any increase in any rate except upon a showing before the Public Utilities Commission and a finding by the commission that such increase is justified.

This bill would add to such provision a proviso that, upon a showing by a public utility before the Public Utilities Commission at a public hearing and a finding by the commission that it has invested in projects designed to generate or produce energy from renewable sources, including, but not limited to, solar energy, geothermal energy, wind sources, hydroelectric energy under specified circumstances, or that it has invested in other systems capable of meeting the then applicable environmental pollution standards, in either case the capital costs of which when added to the operating and maintenance costs shall result in a lower cost per unit of energy generated or produced over the systems' life than existing systems utilizing atomic energy, fossil fuels or natural gas, which projects or systems are capable of and, in fact, are, generating energy for commercial purposes, the Public Utilities Commission may allow a return on such investment that is one-half to one percent higher than the return allowed established by adding an increment of from one-half to one percent to the rate of return permitted on the utility's other investment. The bill would also provide that the commission may, in its discretion, allow such higher rate of return on capital investments by a public utility in experimental projects which it determines after public hearing to be reasonably designed to improve or perfect technology to generate energy from renewable resources, or to more efficiently utilize other resources for the generation of energy in a manner which will de-

2 4032 20 70

crease the environmental pollution per unit of energy generated or produced.

The people of the State of California do enact as follows:

SECTION 1. Section 454 of the Public Utilities Code is amended to read:

454. (a) No public utility shall raise any rate or so alter any classification, contract, practice, or rule as to result in any increase in any rate except upon a showing before the commission and a finding by the commission that such increase is justified; provided, however, that upon a showing by a public utility before the commission after a public hearing and a finding by the commission that it has invested in projects designed to generate or produce energy from renewable resources, including, but not limited to, solar energy, geothermal energy, wind sources, hydroelectric energy at existing dams and hydroelectric energy at new dams subject to Resources Agency review of the environmental impacts of the proposed project and determination that the proposed project is environmentally acceptable, or that it has invested in other systems capable of meeting the then applicable environmental pollution standards, in either case the capital costs of which when added to the operating and maintenance costs shall result in a lower cost per unit of energy generated or produced over the life of the system than existing systems utilizing atomic energy, fossil fuels or natural gas, which projects or systems are capable of or, in fact, are, generating energy for commercial purposes, the commission may allow a return on such investment established by adding an increment of from one-half percent ($\frac{1}{2}\%$) to one percent (1%) to the rate of return permitted on the utility's other investment. The commission may, in its discretion, also allow such higher rate of return on investment by a public utility in experimental projects which it determines after public hearing to be reasonably designed to improve or perfect technology to generate or produce energy from renewable resources, or to more efficiently utilize other resources for the generation of

energy in a manner which will decrease the environmental pollution per unit of energy generated or produced and lower the cost per unit of energy to the utility's consumers. Whenever any electrical, gas, heat, telephone, water, or sewer system corporation files an application to increase any rate of charge, other than an increase reflecting and passing through to customers only increased costs to the corporation, for the services or commodities furnished by it, the corporation shall furnish to its customers affected by the proposed increase notice of its application to the commission for approval of such increase. The corporation may include such notice with the regular bill for charges transmitted to such customers within 45 days if the corporation operates on a 30-day billing cycle, or within 75 days if the corporation operates on a 60-day billing cycle. The notice shall state the amount of the proposed increase expressed in both dollar and percentage terms, a brief statement of the reasons the increase is required or sought, and the mailing address of the commission to which any customer inquiries relative to the proposed increase, including a request by the customer to receive notice of the date, time, and place of any hearing on the application, may be directed.

(b) The commission may establish such rules as it considers reasonable and proper for each class of public utility providing for the nature of the showing required to be made in support of proposed increases, the form and manner of the presentation of such showing, and the procedure to be followed in the consideration thereof. Rules applicable to common carriers may provide for the publication and filing of any proposed increase together with a written showing in support thereof, giving notice of such filing and showing in support thereof to the public, affording an opportunity for protests thereto and to the consideration of, and action on, such showing and any protests filed thereto by the commission, with or without hearing; provided that the proposed increase shall not become effective until it has been approved by the commission.

(c) The commission shall permit individual residential

public utility customers affected by a proposed rate increase to testify at any hearing on such proposed increase, except that the presiding officer need not allow repetitive or irrelevant testimony and may conduct the hearing in an efficient manner.

Senate Constitutional Amendment**No. 45**

Introduced by Senators Smith and Alquist
 (Coauthors: Assemblymen Calvo, Chimbole, Hart, Kapiloff,
 and Vasconcellos)

February 2, 1976

Senate Constitutional Amendment No. 45—A resolution to propose to the people of the State of California an amendment to the Constitution of the state, by adding Section 12 to Article XVI thereof, relating to energy utilization and conservation.

LEGISLATIVE COUNSEL'S DIGEST

SCA 45, as introduced, Smith. State loans: residential insulation and solar energy.

Nothing in the State Constitution expressly empowers the Legislature to provide for a program of state loans for financing installation of energy insulation or solar heating or cooling in residential structures. Section 6 of Article XVI of the State Constitution generally prohibits the Legislature from giving or binding the credit of the state in aid of any person, association, or municipal or other corporation and generally prohibits the Legislature from making or authorizing the making of any gift of public money to any individual or municipal or other corporation.

This measure would expressly authorize the Legislature to provide for a program of state loans for financing installation of energy insulation or solar heating or cooling systems in residential structures, and would provide that the loans may bear interest at less than prevailing market rates.

Vote: $\frac{3}{4}$. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

1 *Resolved by the Senate, the Assembly concurring, That*
2 the Legislature of the State of California at its 1975-76
3 Regular Session commencing on the second day of
4 December, 1974, two-thirds of the members elected to
5 each of the two houses of the Legislature voting therefor,
6 hereby proposes to the people of the State of California
7 that the Constitution of the state be amended by adding
8 Section 12 to Article XVI thereof, to read:

9 SEC. 12. The Legislature may provide for a program
10 of state loans, which may bear interest at less than
11 prevailing market rates, for financing installations of
12 energy insulation or solar heating or cooling systems in
13 residential structures.

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1976

An Act

HOUSE BILL NO. 1206. BY REPRESENTATIVES Flanery, Frank, Burrows, Cantrell, and Dick; also SENATORS Schieffelin, Bishop, MacManus, and Smedley.

CONCERNING LIFE-CYCLE COSTING FOR STATE FACILITIES AND STATE-ASSISTED FACILITIES, AND REQUIRING AN ANALYSIS THEREOF BEFORE COMMENCING CONSTRUCTION OR MAJOR RENOVATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Article 37 of title 24, Colorado Revised Statutes 1973, as amended, is amended BY THE ADDITION OF THE FOLLOWING NEW SECTIONS to read:

24-37-100.2. Legislative findings and declaration. (1)
The general assembly hereby finds:

(a) That state-owned and assisted facilities have a significant impact on the state's consumption of energy;

(b) That energy conservation practices adopted for the design, construction, and utilization of these facilities will have a beneficial effect on the state's overall supply of energy;

(c) That the cost of the energy consumed by these facilities over the life of the facilities must be considered, in addition to the initial cost of constructing such facilities; and

(d) That the cost of energy is significant, and facility designs must take into consideration the total life-cycle cost, including the initial construction cost, the cost, over the economic life of the facility, of the energy consumed, replacement costs, and the cost of operation and maintenance of the facility, including energy consumption.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

(2) The general assembly declares that it is the policy of this state to insure that energy conservation practices are employed in the design of state-owned and assisted facilities. To this end the general assembly requires all state agencies to analyze the life-cycle cost of each facility constructed, or each major facility constructed or renovated, over its economic life, in addition to the initial construction or renovation cost.

24-37-100.3. Definitions. As used in this part 1, unless the context otherwise requires:

(1) "Economic life" means the projected or anticipated useful life of a facility.

(2) "Energy-consumption analysis" means the evaluation of all energy-consuming systems and components by demand and type of energy, including the internal energy load imposed on a facility by its occupants, equipment, and components and the external energy load imposed on the facility by climatic conditions.

(3) "Executive director" means the executive director of the office of state planning and budgeting.

(4) "Facility" means any public building or facility of the state on which construction is initiated six months or more after July 1, 1976, but does not include highways.

(5) "Initial cost" means the required cost necessary to construct a facility or construct or renovate a major facility.

(6) "Life-cycle cost" means the cost alternatives of a facility, including its initial cost, the cost, over the economic life of the facility, of the energy consumed, replacement costs, and the cost of operation and maintenance of the facility, including energy consumption.

(7) "Major facility" means any building or facility of twenty thousand or more gross square feet on which construction or renovation is initiated six months or more after July 1, 1976, and wherein significant energy demands will exist.

(8) "Office" means the office of state planning and budgeting.

(9) "Principal representative" means the governing board of a state department, institution, or agency or, if there is no governing board, the executive head of a state department, institution, or agency, as designated by the governor or the general assembly.

(10) "State agency" means this state or any department, board, bureau, commission, institution, or other agency of the state.

(11) "State-assisted facility" means a facility constructed, or major facility constructed or renovated, in whole or in part with state funds or with funds guaranteed or insured by a state agency.

(12) "State facility" means a facility constructed, or a major facility constructed or renovated, by a state agency.

SECTION 2. The introductory portion to 24-37-103 (1), Colorado Revised Statutes 1973, as amended, is amended to read:

24-37-103. Responsibilities - public building administration. (1) ~~The office of state planning and budgeting; referred to in this part is as the "office";~~ shall:

SECTION 3. 24-37-104 (1), Colorado Revised Statutes 1973, as amended, is amended BY THE ADDITION OF THE FOLLOWING NEW PARAGRAPHS to read:

24-37-104. Responsibilities - public building construction.
(1) (j) Develop and maintain life-cycle cost analysis methods for state facilities and state-assisted facilities and, prior to beginning construction, review analyses made on such facilities by state agencies as to compliance with section 24-37-107 and approve or disapprove the life-cycle cost system selected for construction by the agency in like manner as other construction standards;

(k) Develop and maintain by periodic revision, in cooperation with the principal representatives of state agencies, life-cycle cost analyses of existing facilities as to compliance with section 24-37-107 and make recommendations to such principal representatives based upon such analyses.

SECTION 4. Article 37 of title 24, Colorado Revised Statutes 1973, as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

24-37-107. State agencies to analyze life-cycle cost in construction - exceptions. (1) The general assembly authorizes and directs that state agencies shall employ design and construction methods for state facilities and design and construction methods for state-assisted facilities under their jurisdiction, in such a manner as to further the policy declared in section 24-37-100.2, insuring that life-cycle cost analyses and energy-conservation practices are employed in new state-owned and assisted facilities and in new or renovated major state-owned and assisted facilities.

(2) The life-cycle cost analysis shall include but not be limited to such elements as:

(a) The coordination, orientation, and positioning of the

facility on its physical site;

(b) The amount and type of fenestration employed in the facility;

(c) Thermal performance and efficiency characteristics of materials incorporated into the facility design;

(d) The variable occupancy and operating conditions of the facility, including illumination levels;

(e) Architectural features which affect energy consumption; and

(f) An energy-consumption analysis of a major facility's heating, ventilating, and air-conditioning system, lighting system, and all other energy-consuming systems. The energy-consumption analysis of the operation of energy-consuming systems in the major facility should include but not be limited to:

(I) The comparison of two or more system alternatives;

(II) The simulation or engineering evaluation of each system over the entire range of operation of the major facility for a year's operating period; and

(III) The engineering evaluation of the energy consumption of component equipment in each system considering the operation of such components at other than full or rated outputs.

(3) The life-cycle cost analysis performed for each major facility shall provide but not be limited to the following information:

(a) The initial estimated cost of each energy-consuming system being compared and evaluated;

(b) The estimated annual operating cost of all utility requirements, including consideration of possible escalating costs of energy;

(c) The estimated annual cost of maintaining each energy-consuming system; and

(d) The average estimated replacement cost for each system expressed in annual terms for the economic life of the major facility.

(4) The life-cycle cost analysis shall be certified by a licensed architect or registered professional engineer, or by both architect and engineer, particularly qualified by training and experience for the type of work involved.

(5) In order to protect the integrity of historic buildings, no provision of this part 1 shall be interpreted to require such analysis with respect to any property eligible for, nominated to, or entered in the national register of historic places, designated by statute, or included in an established list of places compiled by the state historical society.

(6) Selection of the optimum system or combination of systems to be incorporated into the design of state facilities and state-assisted facilities shall be based on the life-cycle cost analysis over the economic life of the facility, unless a request for an alternative system is made and approved by the office prior to beginning construction.

(7) The principal representatives of all state agencies shall be responsible for implementing the provisions of this section and the policy established in section 24-37-100.2.

(8) The provisions of this part 1 shall not apply to municipalities or counties nor to any agency or department of any municipality or county.

SECTION 5. Effective date. This act shall take effect January 1, 1977.

SECTION 6. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

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Appropriation

Ch. 20

CHAPTER 20

APPROPRIATION

OFFICE OF THE GOVERNOR AND OFFICE OF THE LIEUTENANT GOVERNOR—SUPPLEMENTAL

HOUSE BILL NO. 1259, BY REPRESENTATIVES Smith, Gaon, Arnold, Barragan, Boley, Brinton, Brown, Burns, Cantrell, DeMoulin, Dick, Flanery, Frank, Kirscht, McCroskey, Massari, Neale, Ore, Sprague, Valdez, Waldow, Wayland, and Wells; also SENATORS Shoemaker, Stockton, and Sandoval.

AN ACT

MAKING A SUPPLEMENTAL APPROPRIATION TO THE OFFICE OF THE GOVERNOR AND TO THE OFFICE OF THE LIEUTENANT GOVERNOR.

Be it enacted by the General Assembly of the State of Colorado:

Section 1. **Appropriation.** In addition to any other appropriation heretofore made for the current fiscal year, there is hereby appropriated out of any moneys in the state treasury not otherwise appropriated, to the office of the governor, the sum of forty thousand five hundred dollars (\$40,500), or so much thereof as may be necessary, for the purpose of studying the feasibility of locating the solar energy research institute in this state.

Section 2. **Appropriation.** In addition to any other appropriation heretofore made for the current fiscal year, there is hereby appropriated out of any moneys in the state treasury not otherwise appropriated, to the office of the lieutenant governor, the sum of two thousand four hundred eight dollars (\$2,408), or so much thereof as may be necessary, for the purposes of the state school district budget review board.

Section 3. Part IV (1) (N) of section 2 of chapter 31, Session Laws of Colorado 1975, as amended by House Bill No. 1066, enacted at the Second Regular Session of the Fiftieth General Assembly and approved by the Governor on February 27, 1976, is amended to read:

Section 2. **Appropriation.**

	ITEM & SUB-TOTAL	TOTAL	APPROPRIATION FROM		
			GENERAL FUND	CASH FUNDS	FEDERAL FUNDS
	\$	\$	\$	\$	\$
PART IV					
GOVERNOR—LIEUTENANT GOVERNOR					
(1) OFFICE OF THE GOVERNOR					
(N) Oil Shale Distributions					
Mesa County					
Re-51		400,000			

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

ITEMIZED LISTING OF PROJECTS OF PART IV OMITTED

Section 4. **Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 4, 1976

LDO NO. 76 0784/1

BY REPRESENTATIVES Flanery, Munson, Kramer, Durham, Cantrell, Brinton, Herzberger, Wayland, Frank, Smith, Arnold, Bendelow, Boley, Brown, Burio Burns, Burrows, Castro, DeMoulin, Dick, Dittmore, Eckelberry, Elliott, Flett, Friedman, Gaon, Hamlin, Hayes, Hilsmeier, Hirman, Hobbs, Hogan, H Kirscht, Knox, Kopel, Lloyd, Lucero, Lyon, McCroskey, Marks, Massari, Mc Neale, Ore, Orten, Quinlan, Sears, Shoemaker, Showalter, Spano, Sprague, Strahle, Valdez, Waldow, Webb, Wells, Witherspoon, Younglund, and Zakheim also SENATORS Schieffelin, Bishop, Hughes, Allshouse, Anderson, Comer, Darby, DeBerard, H. Fowler, L. Fowler, Gallagher, Hatcher, Holme, Kinnie Kogovsek, McCormick, Minister, Plock, Stockton, Strickland, and Wunsch.

HOUSE JOINT RESOLUTION NO. 1034

1 WHEREAS, The dependence of this nation on foreign energy
2 sources threatens the well-being and economic independence of
3 this nation; and

4 WHEREAS, Development of alternative energy sources is a
5 highly desirable method of dealing with the energy crisis; and

6 WHEREAS, Solar energy is one of the most promising
7 alternative energy sources available to this nation; and

8 WHEREAS, The state of Colorado offers unique opportunities
9 for a Solar Energy Research Institute because of its pioneering
10 effort in the solar energy field, its educational facilities with
11 interest and capabilities in solar energy studies, its pool of
12 scientific and technological manpower, its relatively clear and
13 sunny climate, and a strong interest in the development and use
14 of alternative energy sources; now, therefore,

15 Be It Resolved by the House of Representatives of the
16 Fiftieth General Assembly of the State of Colorado, the Senate
17 concurring herein:

18 That this General Assembly strongly supports the proposed

EXHIBIT 9 - RESOLUTION OF THE HOUSE OF REPRESENTATIVES, AND THE SENATE OF THE
FIFTIETH GENERAL ASSEMBLY OF THE STATE OF COLORADO SUPPORTING THE LOCATION OF
THE SOLAR ENERGY RESEARCH INSTITUTE IN THE STATE OF COLORADO

1 location of the Solar Energy Research Institute in the state of
2 Colorado and urges the Governor, the members of Congress from the
3 state of Colorado, and the committee working on this effort to
4 continue and to redouble their activities on behalf of the
5 location of said institute in this state.

6 Be It Further Resolved, That this General Assembly assures
7 the Energy Research and Development Administration that it will
8 act to make certain that adequate land is provided for the Solar
9 Energy Research Institute if Colorado is chosen as the location
10 for said institute and that it will provide other necessary
11 support to ensure the success of this program.

12 Be It Further Resolved, That copies of this resolution be
13 transmitted to the Governor, the members of the Congress of the
14 United States from Colorado, and the committee working to have
15 the Solar Energy Research Institute located in Colorado.

Substitute Senate Bill No. 652

PUBLIC ACT NO. 76-409

AN ACT PROVIDING PROPERTY TAX EXEMPTION FOR SOLAR ENERGY SYSTEMS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 12-81 of the general statutes, as amended, is amended by adding a new subsection (56) as follows:

(NEW) (56) (a) Subject to authorization of the exemption by ordinance in any municipality, any building or addition to a building, the construction of which is commenced on or after October 1, 1976, and before October 1, 1991, which is equipped with a solar energy heating or cooling system, to the extent of the amount by which the assessed valuation of such real property equipped with such solar heating or cooling system exceeds the assessed valuation of such real property equipped with the conventional portion of the heating or cooling system, exclusive of any portion of such system related to solar energy, provided this exemption shall only apply to the first fifteen assessment years following construction of such building or addition.

(b) As used in this subsection, "solar energy heating or cooling system" means equipment, including windmills and waterwheels, which provides for the collection, transfer, storage and use of incident solar energy for water heating, space heating or cooling which absent such solar energy system would require a conventional energy resource, such as petroleum products, natural gas or electricity, and which meets standards established by regulation by the commissioner of planning and energy policy.

(c) Any person who desires to claim the exemption provided in this subsection shall file with the assessor or board of assessors in the town in which such real property is located, within thirty days following the annual assessment date, written application claiming such exemption on a form as prescribed by the tax commissioner. Failure to file such application in said manner and form within the time limit prescribed shall constitute a waiver of the right to such exemption for the assessment year.

Section 2. Section 16a-14 of the general statutes, as amended by section 9 of public act 75-537, is repealed and the following is substituted in lieu thereof:

Substitute Senate Bill No. 652

In addition to the duties set forth in [this act] PUBLIC ACT 75-537 the commissioner may: (1) Be designated as the state official to implement and execute any federal program, law, order, rule or regulation related to the allocation, rationing, conservation, distribution or consumption of energy resources, (2) investigate any complaint concerning the violation of any federal or state statute, rule, regulation or order pertaining to pricing, allocation, rationing, conservation, distribution or consumption of energy resources and shall transmit any evidence gathered by such investigation to the proper federal or state authorities, (3) coordinate all state and local government programs for the allocation, rationing, conservation, distribution and consumption of energy resources, (4) cooperate with the appropriate authorities of the United States government, or other state or interstate agencies with respect to allocation, rationing, conservation, distribution and consumption of energy resources, (5) conduct programs of public education regarding energy conservation, (6) carry out a program of studies, hearings, inquiries, surveys and analyses necessary to carry out the purposes of [this act] PUBLIC ACT 75-537, (7) enter into contracts with any person to do all things necessary or convenient to carry out the functions, powers and duties of the commissioner and department under [this act] PUBLIC ACT 75-537, [and] (8) BY REGULATION, ESTABLISH STANDARDS FOR SOLAR ENERGY SYSTEMS, INCLUDING EXPERIMENTAL SYSTEMS, WHICH OFFER PRACTICAL ALTERNATIVES TO THE USE OF CONVENTIONAL ENERGY WITH REGARD TO CURRENT TECHNOLOGICAL FEASIBILITY AND THE CLIMATE OF THIS STATE AND (9) undertake such other duties and responsibilities as may be delegated by other state statutes or by the governor.

Approved June 2, 1976.

CHAPTER 76-246

House Bill No. 776

AN ACT relating to solar energy; directing the Florida Solar Energy Center to set standards for solar energy systems manufactured or sold in the state; setting testing fees; establishing a trust fund; requiring disclosure; directing the Department of Education to plan a pilot program for utilization of solar energy in the public schools; directing the cooperation of the Solar Energy Center and the Department of General Services; providing for a report; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Short title.--This act shall be known and may be cited as the Solar Energy Standards Act of 1976.

Section 2. Legislative findings and intent.--

(1) The legislature recognizes that if present trends continue, Florida will increase present energy consumption six-fold by the year 2000. Because of this dramatic increase and because existing domestic conventional energy resources will not provide sufficient energy to meet the nation's future needs, new sources of energy must be developed and applied. One such source, solar energy, has been in limited use in Florida for 30 years. Applications of incident solar energy, the use of solar radiation to provide energy for water heating, space heating, space cooling, and other uses, through suitable absorbing equipment on or near a residence or commercial structure, must be extensively expanded. Unfortunately, the initial costs with regard to the production of solar energy have been prohibitively expensive. However, because of increases in the cost of conventional fuel, certain applications of solar energy are becoming competitive, particularly when life cycle costs are considered. It is the intent of the legislature in formulating a sound and balanced energy policy for the state to encourage the development of an alternative energy capability in the form of incident solar energy.

(2) Towards this purpose the legislature intends to provide incentives for the production and sale of and set standards for solar energy systems. Such standards shall ensure that solar energy systems manufactured or sold within the state are effective and represent a high level of quality of materials, workmanship, and design.

Section 3. Definitions.--

(1) "Center" is defined as the Florida Solar Energy Center of the Board of Regents.

(2) "Solar energy systems" are defined as equipment which provides for the collection and use of incident solar energy for water heating, space heating or cooling, or other applications which normally require or would require a conventional source of energy such as petroleum products, natural gas, or electricity and which perform primarily with solar energy. In such other systems in which solar energy is used in a supplemental way, only those components which collect and transfer solar energy shall be included in this definition.

Section 4. Florida Solar Energy Center to set standards, require disclosure, set testing fees.--

(1) The center shall develop and promulgate standards for solar energy systems manufactured or sold in this state based on the best currently available information and shall consult with scientists,

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CODING: Words in ~~struck-through~~ type are deletions from existing law; words in underscored type are additions.

engineers, or persons in research centers who are engaged in the construction, experimentation, and research of solar energy systems to properly identify the most reliable designs and types of solar energy systems.

(2) The Center shall establish criteria for testing performance of solar energy systems and shall maintain the necessary capability for testing or evaluating performance of solar energy systems. The Center may accept results of tests on solar energy systems made by other organizations, companies, or persons, when such tests are conducted according to the criteria established by the Center and when the testing entity has no vested interest in the manufacture, distribution or sale of solar energy systems.

(3) The Center shall be entitled to receive a testing fee sufficient to cover the costs of such testing. All testing fees shall be transmitted by the Center to the State Treasurer to be deposited in the Solar Energy Center Testing Trust Fund, which is hereby created in the State Treasury and disbursed for the payment of expenses incurred in testing solar energy systems.

(4) All solar energy systems manufactured or sold in the State, which meet the standards established by the Center, may display accepted results of approved performance tests in a manner prescribed by the Center.

Section 5. Solar energy; pilot program in schools.--

(1) The Department of Education is directed to develop a plan for a pilot program relating to the feasibility of utilizing solar energy as a source of power for the public schools in this state. The plan shall include, but not be limited to:

(a) The construction of a school or schools designed so as to permit the capture and use of solar energy as a source of power or, in the alternative, the modification of a planned or existing school structure or structures so as to permit the capture and use of solar energy as a source of power.

(b) A detailed itemization of the costs, need, and projected savings, if any, and periods of construction or transition time involved in, the utilization of solar energy in the pilot school or schools and in the public schools of the state as a whole.

(c) A proposal for the funding of the pilot program through grants available from the Federal Government and, particularly, the National Science Foundation, in which respect the Solar Energy Center of the state shall cooperate with the department.

(2) The Solar Energy Center and the Department of General Services are directed to cooperate with, and provide assistance to, the Department of Education in carrying out the provisions of this section.

(3) The plan required by this section shall be presented to the Legislature no later than March 1, 1977.

Section 6. This act shall take effect October 1, 1976.

Approved by the Governor June 23, 1976.

Filed in Office Secretary of State June 24, 1976.

This public document was promulgated at a base cost of \$9.86 per page for 1,200 copies or \$.0082 per single page for the purpose of informing the public of Acts passed by the Legislature.

GEORGIA RETAILERS' AND CONSUMERS' SALES AND
USE TAX ACT AMENDED—CERTAIN SOLAR
ENERGY EQUIPMENT EXEMPTED.

No. 1030 (House Bill No. 1480)

An Act to amend an Act known as the "Georgia Retailers' and Consumers' Sales and Use Tax Act", approved February 20, 1951 (Ga. L. 1951, p. 360), as amended, so as to exempt from the tax imposed by said Act the sale or use of machines and equipment which are to be used directly in the conversion of solar energy for certain purposes and are to be attached to certain types of property; to provide procedures for the refunds on such tax; to provide for rules; to repeal conflicting laws; and for other purposes.

Be it enacted by the General Assembly of Georgia:

Section 1. An Act known as the "Georgia Retailers' and Consumers' Sales and Use Tax Act", approved February 20, 1951 (Ga. L. 1951, p. 360), as amended, is hereby amended by adding at the end of section 3(c)2, one new subparagraph to be designated subparagraph (z), to read as follows:

"(z) Purchases of machines or equipment that will be attached to or become a part of agricultural, including animal and poultry husbandry operations, industrial, commercial or residential property and will be used directly in the conversion of solar energy for heating, or cooling, or drying, or water heating. For the purposes of this subparagraph, machines and equipment shall include all controls, tanks, pumps, heat exchangers, and other equipment used directly and exclusively for the conversion of solar energy for heating, or cooling, or drying, or water heating, but shall not include walls, roofs or equipment that would ordinarily be contained in a similar structure not designed or modified to use solar energy for heating, or cooling, or drying, or water heating.

Notwithstanding the provisions of this subparagraph, any person making a sale for any of the purposes specified herein shall collect the tax imposed thereon by this Act and remit the same to the Commissioner. To obtain the benefits hereof, the purchaser shall file a claim for refund with the Commissioner in the manner authorized by the general law, and, if the Commissioner determines that the requirements of this subparagraph have been met, he is hereby authorized to refund, without interest thereon, such portion of the tax paid by the purchaser as the Commissioner finds to be due under the provisions of this subparagraph. For the purposes of this subparagraph, the amount of tax paid by the purchaser shall be the amount paid the seller as tax less the amount the seller is allowed to retain as compensation for accounting for and remitting the tax. The State Revenue Commissioner may adopt rules providing procedures for applying for the refund authorized by this subsection and for certifying whether a particular purchase of such machines or equipment is entitled to the refund. This subparagraph shall be repealed and shall be null and void effective July 1, 1986."

Section 2. All laws and parts of laws in conflict with this Act are hereby repealed.

Approved March 24, 1976

GEORGIA COUNCIL FOR ENERGY RESOURCES
CREATED.

No. 1445 (House Bill No 1698).

An Act to create an energy resources advisory council to be known as the Georgia Council for Energy Resources; to declare the legislative intent of this Act; to provide for its members and their tenure; to provide for the responsibilities of the Council; to provide for the Office of Energy Resources and its organizational placement; to provide for the power and duties of the Office of Energy Resources; to provide for employees of the Office of Energy Resources; to provide for the adoption of rules and regulations; to provide for severability; to repeal conflicting laws; and for other purposes.

Be it enacted by the General Assembly of Georgia:

Section 1. The planning, development and management of Georgia's energy resources while protecting the economic, social and environmental values of her citizens requires expanded authority and capability and a unified, coordinated response within State Government.

Intent. It is, therefore, declared to be the public policy of this State to insure energy conservation and efficiency; to insure the wise management and development of traditional energy resources; and to insure the development and placement into the market place of viable alternate energy resources for the purposes of providing an adequate energy supply, economic prosperity, and a safe environment for Georgians.

Creation. Section 2. There is hereby created an energy resources advisory council to be known as the "Georgia Council for Energy Resources".

Members. Section 3. The Council shall consist of eleven (11) members as follows: the Director, Office of Planning and Budget; the Commissioner, Department of Natural Resources; the Commissioner, Department of Transportation; the Chairman, Public Service Commission; the Commissioner, Department of Agriculture; the Commissioner, Department of Revenue; the Vice President for Research, Uni-

versity of Georgia; the Vice President for Research, Georgia Institute of Technology; one member of the House of Representatives, and one member of the Senate, and three individuals from the public at large appointed by the Governor. The Director of the Office of Planning and Budget shall serve as Chairman of the Council. The Council shall meet annually, or more often on the call of the Chairman. The Council and the authority provided to it shall cease to exist July 1, 1981, unless retained by Act of the Georgia General Assembly.

Section 4. The Council shall: (1) evaluate and assess State energy policies and their impact upon the economy and the environment and make recommendations thereon to the Governor and the General Assembly; (2) encourage the cooperation of federal, State and local governmental officers, units, activities and agencies in the promotion and attainment of the purposes of this Act; (3) enlist the cooperation of public utilities, civic and community organizations, industrial and commercial organizations, labor organizations and other identifiable groups in order to develop and implement programs which further the purposes of this Act; (4) recommend actions which would assist in eliminating duplication of effort among governmental departments and agencies involved in energy activities; and (5) recommend to the Governor actions needed to accomplish the purposes of this Act.

The Council may recommend the adoption of rules and regulations to the Director of the Office of Planning and Budget to carry out the purposes of this Act.

Section 5. There is hereby established within the office of Planning and Budget a division to be designated as the "Georgia Office of Energy Resources". The Director of the Office of Planning and Budget shall select and appoint the Director of said Office and select other such personnel as he shall determine to be necessary to fulfill the purposes of this Act.

Section 6. The Georgia Office of Energy Resources shall have sole authority and responsibility for the administration of this Act. The Georgia Office of Energy Resources shall consult with other departments, agencies, or officials of this State or political subdivisions thereof, and appro-

Duties.

Director.

Powers.

appropriate private and professional organizations in matters related to energy. Any other department, educational institution, agency or official of this State or political subdivision thereof which in any way would affect the administration or enforcement of this Act is required to coordinate all such activities with the Georgia Office of Energy Resources to assure orderly and efficient administration and enforcement of this Act. The Georgia Office of Energy Resources may do all things necessary to cooperate with the United States Government, and to qualify for, accept, and disburse any private grant intended for the administration of this Act. The Georgia Office of Energy Resources is designated to apply for, receive and accept and administer federal funds and programs made available to the State for the purposes of this Act. The Georgia Office of Energy Resources may contract for services if such services cannot be satisfactorily performed by employees of the Office or by any other State agency. The Georgia Office of Energy Resources may enter into agreements to jointly carry out energy-related research and planning with other states or the federal government where appropriate. The Georgia Office of Energy Resources may inform, educate, and provide materials to other agencies of the State or political subdivisions thereof, and the public on all energy-related matters with particular emphasis on energy consumption trends and their social, environmental and economic impacts; conservation and energy efficiency; and alternative energy technologies. The Georgia Office of Energy Resources shall have the responsibility of monitoring and assessing the relationship and impact of international, federal and regional energy policies on the State's energy policies and programs. The Georgia Office of Energy Resources shall collect and analyze data relating to past, present and future consumption levels for all sources of energy and report such findings on an annual basis to the Governor. Furthermore, such reports shall make recommendations on actions which would further the purposes in section 1 of this Act. The Georgia Office of Energy Resources shall prepare, and present to the Government for approval, a standby emergency plan setting forth actions to be taken in the event of an impending serious shortage of energy or a threat to public health, safety or welfare. The Georgia Office of

Energy Resources shall design and implement a program to encourage energy conservation and efficiency, to include, but not be limited to, the public, commercial, industrial, governmental and residential areas. The Georgia Office of Energy Resources shall maintain awareness of all energy-related research, with particular emphasis on alternative energy resources creating minimal environmental impact, that could be of importance to the State's welfare for the purposes of providing constructive and supportive action. The Georgia Office of Energy Resources shall solicit funds made available for the purposes of information, research studies, demonstrations, and projects of professional and civic orientation, which are related to energy conservation and efficiency, the development and utilization of alternative energy technologies, and other appropriate energy-related areas.

Section 7. The Director of the Office of Planning and Budget shall have the authority to promulgate and adopt rules and regulations to carry out the purposes of this Act. Rules

Section 8. In the event any section, subsection, sentence, clause or phrase of this Act shall be declared or adjudged invalid or unconstitutional, such adjudication shall in no manner affect the other sections, subsections, sentences, clauses, or phrases of this Act, which shall remain of full force and effect, as if the section, subsection, sentence, clause or phrase so declared or adjudged invalid or unconstitutional were not originally a part hereof. The General Assembly hereby declares that it would have passed the remaining parts of this Act if it had known that such part or parts hereof would be declared or adjudged invalid or unconstitutional. Severability

Section 9. All laws and parts of laws in conflict with this Act are hereby repealed.

Approved April 9, 1976.

CERTAIN COUNTY AND MUNICIPAL EXEMPTIONS
FOR SOLAR ENERGY HEATING AND
COOLING SYSTEMS PROVIDED.

Proposed Amendment to the Constitution.

No. 167 (Senate Resolution No. 284)

A Resolution.

Proposing an amendment to the Constitution so as to authorize the governing authority of any county or municipality to exempt from all ad valorem taxation all of the value of certain tangible property used in a solar energy heating or cooling system, and all of the value of certain tangible property consisting only of machinery and equipment directly used in the manufacture of solar energy heating or cooling systems; to provide for definitions; to provide for the submission of this amendment for ratification or rejection; to provide for the nullification and repeal of such exemption; and for other purposes.

Be it resolved by the General Assembly of Georgia:

Section 1. Article VII, Section I, Paragraph IV of the Constitution is hereby amended by adding at the end thereof, the following:

"The governing authority of any county or municipality may exempt from ad valorem taxation, including all such taxes levied for State, county, municipal, or school purposes, all of the value of certain tangible property used in a solar energy heating or cooling system, and all the value of certain tangible property consisting only of machinery and equipment directly used in the manufacture of solar energy heating or cooling systems. For the purposes of this subparagraph, solar energy heating or cooling systems shall mean and include all controls, tanks, pumps,

heat exchangers, and other equipment used directly and exclusively for the conversion of solar energy for heating or cooling, but shall not include walls, roofs or equipment that would ordinarily be contained in a similar structure not designed or modified to use solar energy for heating or cooling. For the purposes of this exemption, the term 'heating' shall also mean and include water heating and drying. This subparagraph shall be repealed and shall be null and void effective July 1, 1986."

Section 2. The above proposed amendment to the Constitution shall be published and submitted as provided in Article XIII, Section I, Paragraph I of the Constitution of Georgia of 1945, as amended.

The ballot submitting the above proposed amendment shall have written or printed thereon the following:

"() YES Shall the Constitution be amended so as to authorize local governments to exempt solar
() NO energy equipment from ad valorem property taxes until 1986?"

All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes". All persons desiring to vote against ratifying the proposed amendment shall vote "No".

If such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall become a part of the Constitution of this State.

(Ratified November, 1976)

(To be made one and twelve copies)

THE SENATE
EIGHTH LEGISLATURE, 1976
STATE OF HAWAII

ACT 189

S.B. NO.

2467-76
S.D. 1
H.D. 2
C.D. 1

A BILL FOR AN ACT

RELATING TO TAX INCENTIVES FOR ENERGY CONSERVATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended
2 by adding a new section to be appropriately designated and to
3 read as follows:
4 "Sec. 235- Solar energy devices; income tax credit. (a)
5 Each individual and corporate resident taxpayer who files an
6 individual or corporate net income tax return for a taxable year,
7 may claim a tax credit under this section against the Hawaii state
8 individual or corporate net income tax. The tax credit may be
9 claimed for a solar energy device in an amount not to exceed
10 ten per cent of the total cost of the device. The credit shall
11 be claimed against net income tax liability for the year in which
12 the solar energy device was purchased and placed in use; provided
13 the tax credit shall be applicable only with respect to solar
14 devices which are erected and placed in service after December 31,
15 1974 but before December 31, 1981. Tax credits which exceed the
16 taxpayer's income tax liability may be used as a credit against
17 his income tax liability in subsequent years until exhausted.

LRB 523-3001

1 (b) The director of taxation shall prepare such forms as may
2 be necessary to claim a credit under this section. He may also
3 require the taxpayer to furnish reasonable information in order
4 that he may ascertain the validity of the claim for credit made
5 under this section and he may adopt rules necessary to effectuate
6 the purposes of this section pursuant to chapter 91.

7 (c) As used in this section "solar energy device" means any
8 new identifiable facility, equipment, apparatus, or the like which
9 makes use of solar energy for heating, cooling, or reducing the
10 use of other types of energy dependent upon fossil fuel for its
11 generation."

12 SECTION 2. Chapter 246, Hawaii Revised Statutes, is amended
13 by adding a new section to be appropriately designated and to
14 read as follows:

15 "Sec. 246- Alternate energy improvements, exemption.

16 (a) The value of all property in the State (not including a
17 building or its structural components, except where alternate
18 energy improvements are incorporated into the building, and then
19 only that part of the building necessary to such improvement)
20 actually used for an alternate energy improvement shall be exemp-
21 ted from the measure of the taxes imposed by this chapter; pro-
22 vided the property exemption shall be applicable only with respect
23 to alternate energy improvements which are installed and placed
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1 in service after June 30, 1976 but before December 31, 1981.

2 Application for the exemption provided by this section shall
3 be made with the director of taxation.

4 The director of taxation may require the taxpayer to furnish
5 reasonable information in order that he may ascertain the validity
6 of the claim for deduction made under this section and may adopt
7 rules under chapter 91 to implement this section.

8 (b) As used in this section "alternate energy improvement"
9 means any construction or addition, alteration, modification, improve-
10 ment, or repair work undertaken upon or made to any building which
11 results in:

12 (1) The production of energy from a source, or uses a
13 process which does not use fossil fuels or nuclear
14 fuels. Such energy source may include, but shall
15 not be limited to, solid wastes, wind, geothermal,
16 solar, or ocean waves, tides, or currents. Such
17 energy process may include, but shall not be limited
18 to, bio-conversion, hydro-electric power, thermal
19 conversion, or osmosis; provided that nuclear fission
20 shall be excluded from the provisions of this section;
21 or

22 (2) An increased level of efficiency in the utilization
23 of energy produced by fossil fuels or in the utilization
24
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1 of secondary forms of energy dependent upon fossil
2 fuels for its generation."

3 SECTION 3. New statutory material is underscored. In print-
4 ing this Act, the revisor of statutes need not include the underscoring.

5 SECTION 4. This Act shall take effect upon its approval; pro-
6 vided that section 1 shall apply to taxable years beginning after
7 December 31, 1974, and section 2 shall take effect on July 1, 1976.

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LRB 233-5003

CHAPTER 212

(H.B. No. 468)

AN ACT

RELATING TO TAX INCENTIVES FOR INSTALLATION OF INSULATION AND ALTERNATIVE ENERGY DEVICES; PROVIDING A DECLARATION OF STATE POLICY; AMENDING CHAPTER 30, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-3022B, IDAHO CODE, TO PROVIDE A DEDUCTION FOR INSULATION OF RESIDENCES; AMENDING CHAPTER 30, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-3022C, IDAHO CODE, TO PROVIDE A DEDUCTION FOR ALTERNATIVE ENERGY DEVICES AT RESIDENCES; AND DECLARING AN EMERGENCY AND PROVIDING A RETROACTIVE EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. It is declared to be the policy of the state of Idaho that the installation of energy-saving insulation materials in existing structures and the use of alternative energy devices, including solar and geothermal heating or cooling systems, should be encouraged as conserving non-renewable resources, reducing environmental pollution and promoting the health and well-being of the people of this state, and should be valued in relation to these benefits to the people of the state of Idaho. That while the federal and state tax structures allow investments for insulation and alternative energy devices in income-producing property to be amortized or otherwise favorably treated, a need exists to encourage similar investments in nonincome-producing residential property.

SECTION 2. That Chapter 30, Title 63, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 63-3022B, Idaho Code, and to read as follows:

63-3022B. DEDUCTION FOR INSULATION OF RESIDENCES. For taxable years commencing on and after January 1, 1976, an individual taxpayer may deduct from taxable income as defined in section 63 of the Internal Revenue Code an amount actually paid or accrued by the individual taxpayer during the taxable year for the actual installation, but not replacement, of insulation within any existing building in the

state of Idaho which serves as a place of residence of the individual taxpayer. As used in this section, "insulation" means any material commonly used in the building industry and actually installed for the purpose of retarding the passage of heat energy into or out of a building, including but not limited to, such items as fiberglass insulation, weather stripping, double pane windows, and storm doors and windows. As used in this section, "existing building" means any building in being, under construction, or subject to an outstanding legal building permit on the effective date of this act.

SECTION 3. That Chapter 30, Title 63, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 63-3022C, Idaho Code, and to read as follows:

63-3022C. DEDUCTION FOR ALTERNATIVE ENERGY DEVICE AT RESIDENCE. (1) An individual taxpayer who installs an alternative energy device to serve a place of residence of the individual taxpayer in the state of Idaho may deduct from taxable income as defined in section 63 of the Internal Revenue Code, the following amounts actually paid or accrued by the individual taxpayer: forty percent (40%) of the amount that is properly attributable to the construction, reconstruction, remodeling, installation or acquisition of the alternative energy device in the year when such device is completed or acquired and is placed in service by the taxpayer; and twenty percent (20%) per year thereafter for a period of three (3) succeeding years; provided, however, that said deduction shall not exceed five thousand dollars (\$5,000) in any one (1) taxable year.

(2) An individual taxpayer who purchases a residence in the state of Idaho served by an alternative energy device for which none or less than all of the total deduction allowable under this section has been taken, may take the deduction specified in this section, or the unused balance of the deduction.

(3) As used in this section, "alternative energy device" means any system or mechanism or series of mechanisms using solar radiation, wind, geothermal resource as defined in section 42-4002, Idaho Code, or wood or wood products primarily to provide heating, to provide cooling, to produce electrical power, or any combination thereof. Alternative energy device includes a fluid to air heat pump operating on a fluid reservoir heated by solar radiation or geothermal resource. A built-in fireplace does not qualify

as an energy-saving device unless it is equipped with a metal heat exchanger that will deliver heated air to a substantial portion of the residence and is equipped with control doors and a regulated draft.

SECTION 4. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval, and retroactively to January 1, 1976.

Approved March 19, 1976.

(As Amended by Senate Committee)

[As Amended by House Committee of the Whole]

(As Amended by House Committee)

Session of 1976

HOUSE BILL No. 2969

By Representatives Rodrock, E. Anderson, G. Anderson, Campbell, Farrar, Frey, Hamm, Hayden, Hohman, Ivy, Luzzati, Niles, J. Slattery, Smith, Walker and Wisdom

1-26

AN ACT relating to the taxation of income; providing incentives for the installation or acquisition of solar energy systems by taxpayers by providing income tax credits and amortization of the costs of such system; amending K. S. A. 1975 Supp. 79-32,120 and 79-32,138, as amended by section 4 of 1976 House bill No. 2694, and 79-32,138, as amended by section 5 of 1976 House bill No. 2694, and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

1 *New Section 1.* Any resident individual taxpayer who ~~installs~~
2 completes installation of a solar energy system ~~in supplying energy~~
3 for such taxpayer's principal dwelling prior to July 1, 1983, or who
4 acquires title to a dwelling prior to July 1, 1983, which dwelling is
5 to be used as the taxpayer's principal dwelling and is ~~equipped~~
6 with supplied energy from a solar energy system for which the
7 credit allowed by this section has never been claimed, shall be
8 entitled to claim a tax credit in an amount equal to twenty-
9 five percent (25%) of the cost of such system, including in-
10 stallation costs, or one thousand dollars (\$1,000), whichever is
11 less, against the income tax liability imposed against such taxpayer
12 pursuant to article 32 of chapter 79 of the Kansas Statutes Anno-
13 tated. Such tax credit shall be deducted from the taxpayer's income
14 tax liability for the taxable year in which the solar energy system

HB 2969—Am. by S

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1 was acquired by the taxpayer. If the amount of such tax credit
2 exceeds the taxpayer's income tax liability for such taxable year, the
3 amount thereof which exceeds such tax liability may be carried over
4 for deduction from the taxpayer's income tax liability in the next
5 succeeding taxable year or years until the total amount of the tax
6 credit has been deducted from tax liability. Notwithstanding the
7 foregoing provision, no such tax credit shall be carried over for
8 deduction after the fourth taxable year succeeding the taxable year
9 in which the solar energy system was acquired.

10 *New Sec. 2.* Any taxpayer who ~~installs~~ completes installation of
11 a solar energy system upon real property located within this state
12 prior to July 1, 1983, which real property is either used in a trade
13 or business or held for the production of income, or any taxpayer
14 who acquires title to real property located within this state prior
15 to July 1, 1983, which real property is used in a trade or business or
16 held for the production of income and is equipped with a solar
17 energy system for which the credit allowed by this section has
18 never been claimed, shall be entitled to claim an income tax credit
19 in an amount equal to twenty-five percent (25%) of the cost of such
20 system, including installation costs, or three thousand dollars
21 (\$3,000), or an amount equal to the taxpayer's income tax liability
22 in the taxable year for which the credit is claimed, whichever is
23 less, against the tax liability imposed against such taxpayer pur-
24 suant to article 32 of chapter 79 of the Kansas Statutes Annotated.
25 Such tax credit shall be deducted from the taxpayer's tax liability
26 for the taxable year in which such system is acquired and placed
27 into service by the taxpayer.

28 *New Sec. 3.* Any taxpayer who ~~installs~~ completes installation of
29 a solar energy system upon real property located within this state
30 prior to July 1, 1983, which real property is either used in a trade
31 or business or held for the production of income, or any taxpayer

1 income tax liability for such year as the Kansas taxable income,
2 as computed before any deductions for federal income taxes and
3 after application of subsections (d) and (e) hereof, bears to the
4 federal taxable income for the same year.

5 (iii) Any loss not deducted from federal taxable income by vir-
6 tue of the application of section 337 of the internal revenue code.

7 (iv) An amount for amortization of the amortizable costs of a
8 certified oil production process as computed under section 1 of
9 this act 1976 House bill No. 2694.

10 (v) An amount for the amortization deduction for a solar energy
11 system allowed pursuant to section 3 of this act.

12 (d) If the federal taxable income of a corporation for any year
13 includes items of income, gain, loss or deductions attributable to
14 such corporation being a member of a partnership or the beneficiary
15 of an estate or trust, then, in lieu of the amounts of income, gain,
16 loss or deductions from such partnership, estate or trust as deter-
17 mined for federal income tax purposes, there shall be substituted
18 in computing Kansas taxable income the items of income, gain,
19 loss or deduction which would be allocable to such corporation if
20 it were a nonresident individual as computed in accordance with
21 K. S. A. 79-32,132 (in the case of partnerships) and K. S. A. 79-32,137
22 (in the case of estates or trusts).

23 (e) If, without regard to items of income, gain, loss or deduction
24 attributable to partnerships, estates or trusts, any corporation de-
25 rives all of its income from sources within Kansas, its Kansas tax-
26 able income shall be the sum resulting after application of subsec-
27 tions (a) through (d) hereof. Otherwise, such corporation's Kansas
28 taxable income, after excluding any refunds of federal income tax
29 and any items of income, gain, loss or deduction attributable to
30 partnerships, estate or trusts, and before the deduction of federal
31 income taxes provided by subsection (c) (ii) shall be allocated as

1 provided in the uniform division of income for tax purposes act in
2 K. S. A. 79-3271 through 79-3293, and the sum so resulting plus or
3 minus the items of income, gain, loss or deduction attributable to
4 partnerships, estates or trusts as modified by subsection (d) above
5 plus any refund of federal income tax as determined under K. S. A.
6 1975 Supp. 79-32,117 (b) (iv), and minus the deduction for federal
7 income taxes as provided by subsection (c) (ii) above shall be such
8 corporation's Kansas taxable income.

9 New Sec. 7. The secretary of revenue shall prescribe such rules
10 and regulations as may be deemed necessary to carry out the pur-
11 poses of this act.

12 New Sec. 8. The provisions of this act shall apply to all taxable
13 years commencing after December 31, 1975.

14 Sec. 9. K. S. A. 1975 Supp. 79-32,120 and 79-32,138, as amended
15 by section 4 of 1976 House bill No. 2694, and 79-32,138, as amended
16 by section 5 of 1976 House bill No. 2694 are hereby repealed.

17 Sec. 10. This act shall take effect and be in force from and after
18 its publication in the statute book.

1 *solar energy system allowed pursuant to section 2 of this*
2 *act.*

3 (d) If the federal taxable income of a corporation for
4 any year includes items of income, gain, loss or deductions
5 attributable to such corporation being a member of a part-
6 nership or the beneficiary of an estate or trust, then, in lieu
7 of the amounts of income, gain, loss or deductions from
8 such partnership, estate or trust as determined for federal
9 income tax purposes, there shall be substituted in comput-
10 ing Kansas taxable income the items of income, gain, loss
11 or deduction which would be allocable to such corporation
12 if it were a nonresident individual as computed in accord-
13 ance with K. S. A. 79-32,132 (in the case of partnerships)
14 and K. S. A. 79-32,137 (in the case of estates or trusts).

15 (e) If, without regard to items of income, gain, loss or
16 deduction attributable to partnerships, estate or trusts,
17 any corporation derives all of its income from sources
18 within Kansas, its Kansas taxable income shall be the sum
19 resulting after application of subsections (a) through (d)
20 hereof. Otherwise, such corporation's Kansas taxable in-
21 come, after excluding any refunds of federal income tax
22 and any items of income, gain, loss or deduction attributable
23 to partnerships, estate or trusts, and before the deduction
24 of federal income taxes provided by subsection (e) (ii)
25 shall be allocated as provided in the uniform division of
26 income for tax purposes act in K. S. A. 79-3271 through 79-
27 3293, and the sum so resulting plus or minus the items of
28 income, gain, loss or deduction attributable to partnerships,
29 estates or trusts as modified by subsection (d) above plus
30 any refund of federal income tax as determined under
31 K. S. A. 1972 1975 Supp. 79-32,117 (b) (iv), and minus the

1 deduction for federal income taxes as provided by sub-
2 section (e) (iv) above shall be such corporation's Kansas
3 taxable income.

4 (a) Kansas taxable income of a corporation taxable under this
5 act shall be the corporation's federal taxable income for the taxable
6 year with the modifications specified in this section.

7 (b) There shall be added to federal taxable income: (i) The
8 same modifications as are set forth in K. S. A. 1975 Supp. 79-32,117
9 (b) with respect to resident individuals.

10 (ii) Any gain excluded from federal taxable income by virtue
11 of the application, of section 337 of the internal revenue code.

12 (iii) The amount of all depreciation deductions claimed for any
13 real or tangible personal property upon which the deduction is
14 allowed by section 1 of this act 1976 House bill No. 2694.

15 (iv) The amount of all depreciation deductions claimed for any
16 property upon which the deduction allowed by section 3 of this
17 act is claimed.

18 (c) There shall be subtracted from federal taxable income: (i)
19 The same modifications as are set forth in K. S. A. 1975 Supp. 79-
20 32,117 (c) with respect to resident individuals.

21 (ii) The federal income tax liability for any taxable year com-
22 mencing prior to December 31, 1971, for which a Kansas return
23 was filed after reduction for all credits thereon, except credits for
24 payments on estimates of federal income tax, credits for gasoline
25 and lubricating oil tax, and for foreign tax credits if, on the Kansas
26 income tax return for such prior year, the federal income tax de-
27 duction was computed on the basis of the federal income tax paid
28 in such prior year, rather than as accrued. Notwithstanding the
29 foregoing, the deduction for federal income tax liability for any
30 year shall not exceed that portion of the total federal income tax
31 liability for such year which bears the same ratio to the total federal

1 gross income for such year bears to the federal adjusted gross
2 income for the same year.

3 (ii) The amount of railroad retirement, social security or self-
4 employment taxes payable under the internal revenue code for the
5 same taxable year for which the Kansas return is being filed to the
6 extent that the same are not deducted in computing federal taxable
7 income. If in any year to which this act relates, the taxpayer pays
8 railroad retirement, social security or self-employment taxes per-
9 taining to a prior year's liability, such taxpayer may deduct such
10 payment in the year in which such payment is made provided
11 that he or she has not deducted such amount in a prior year.

12 (iii) Expenses in excess of fifty dollars (\$50) paid during the
13 taxable year not compensated for by insurance or otherwise, for
14 medical or dental care for the taxpayer, the taxpayer's spouse, or
15 a dependent.

16 (iv) An amount for amortization of the amortizable costs of a
17 certified oil production process as computed under section 1 of
18 this act 1976 House bill No. 2694.

19 (v) An amount for the amortization deduction for a solar energy
20 system allowed pursuant to section 3 of this act.

21 Sec. 6. K. S. A. 1975 Supp. 79-32,138, as amended by section 5
22 of 1976 House bill No. 2694 is hereby amended to read as follows:
23 79-32,138. (a) Kansas taxable income of a corporation tax-
24 able under this act shall be the corporation's federal tax-
25 able income for the taxable year with the modifications
26 specified in this section.

27 (b) There shall be added to federal taxable income: (i)
28 The same modifications as are set forth in K. S. A. 1972
29 1976 Supp. 79-32,117 (b) with respect to resident indi-
30 viduals.

31 (ii) Any gain excluded from federal taxable income by

1 virtue of the application of section 337 of the internal
2 revenue code.

3 (iii) The amount of all depreciation deductions claimed
4 for any property upon which the deduction allowed by sec-
5 tion 3 of this act is claimed.

6 (c) There shall be subtracted from federal taxable in-
7 come: (i) The same modifications as are set forth in
8 K. S. A. 1972 1976 Supp. 79-32,117 (c) with respect to resi-
9 dent individuals.

10 (ii) The federal income tax liability for any taxable year
11 commencing prior to December 31, 1971, for which a Kan-
12 sas return was filed after reduction for all credits thereon,
13 except credits for payments on estimates of federal income
14 tax, credits for gasoline and lubricating oil tax, and for
15 foreign tax credits: *Provided, That if, on the Kansas in-*
16 *come tax return for such prior year the federal income tax*
17 *deduction was computed on the basis of the federal income*
18 *tax paid in such prior year, rather than as accrued. Not-*
19 *withstanding the foregoing, the deduction for federal in-*
20 *come tax liability for any year shall not exceed that portion*
21 *of the total federal income tax liability for such year which*
22 *bears the same ratio to the total federal tax liability for*
23 *such year as the Kansas taxable income, as computed be-*
24 *fore any deductions for federal income taxes and after ap-*
25 *plication of subsections (d) and (e) hereof, bears to the*
26 *federal taxable income for the same year.*

27 (iii) Any loss not deducted from federal taxable income
28 by virtue of the application of section 337 of the internal
29 revenue code.

30 (iv) An amount for the amortization deduction for a
31

1 such prior year, rather than as accrued. Notwithstanding
2 the foregoing, the deduction for federal income tax liability
3 for any year shall not exceed that portion of the total
4 federal income tax liability for such year which bears the
5 same ratio to the total federal income tax liability for such
6 year as the Kansas adjusted gross income for such year
7 bears to the federal adjusted gross income for the same
8 year.

9 (ii) The amount of railroad retirement, social security
10 or self-employment taxes payable under the internal reve-
11 nue code for the same taxable year for which the Kansas
12 return is being filed to the extent that the same are not de-
13 ducted in computing federal taxable income. *Provided,*
14 *however,* That. If in any year to which this act relates, the
15 taxpayer pays railroad retirement, social security or self-
16 employment taxes pertaining to a prior year's liability, he
17 such taxpayer may deduct such payment in the year in
18 which such payment is made provided that he has not de-
19 ducted such amount *has not been deducted* in a prior year.

20 (iii) Expenses in excess of fifty dollars (\$50) paid during
21 the taxable year not compensated for by insurance or other-
22 wise, for medical or dental care for the taxpayer, his the
23 taxpayer's spouse, or a dependent.

24 (iv) *An amount for the amortization deduction for a solar*
25 *energy system allowed pursuant to section 3 of this act.*

26 (a) If federal taxable income of a resident individual is deter-
27 mined by itemizing deductions from his or her federal adjusted
28 gross income, such individual may elect to deduct his or her
29 Kansas itemized deduction in lieu of his or her Kansas standard de-
30 duction. The Kansas itemized deduction of a resident individual
31 means the total amount of such individual's deductions from federal

1 adjusted gross income, other than federal deductions for personal
2 exemptions, as provided in the internal revenue code, with the
3 modifications specified in this section.

4 (b) The total amount of deductions from federal adjusted gross
5 income shall be reduced by the total amount of income taxes im-
6 posed by or paid to this state or any other taxing jurisdiction to the
7 extent that the same are deducted in determining the federal item-
8 ized deductions, by the amount of medical and dental expenses
9 claimed in determining such deductions and by the amount of all
10 depreciation deductions claimed for any real or tangible personal
11 property upon which the deduction allowed by section 1 of 1976
12 House bill No. 2694, and by section 3 of this act is or has been
13 claimed.

14 (c) The total amount of deductions from federal adjusted gross
15 income shall be increased by the sum of:

16 (i) The federal income tax liability under chapter 1 of the in-
17 ternal revenue code for the same taxable year for which the Kan-
18 sas return is being filed after reduction for all credits thereon,
19 except credits for federal withholding and payments on estimates
20 of federal income tax, credits for gasoline and lubricating oil tax,
21 and for foreign tax credits. If, in any year to which this act re-
22 lates, the taxpayer pays federal income tax pertaining to a prior
23 year's federal income tax liability, such taxpayer may deduct such
24 payment in the year such payment is made if, on the Kansas income
25 tax return for such prior year, such taxpayer computed his or her
26 federal income tax deduction on the basis of federal income tax
27 paid in such prior year, rather than as accrued. Notwithstanding
28 the foregoing, the deduction for federal income tax liability for any
29 year shall not exceed that portion of the total federal income tax
30 liability for such year which bears the same ratio to the total
31 federal income tax liability for such year as the Kansas adjusted

1 who acquires title to real property located within this state prior
 2 to July 1, 1983, which real property is used in a trade or business or
 3 held for the production of income and is equipped with a solar
 4 energy system, may elect to amortize the adjusted basis of the solar
 5 energy system based upon a period of sixty (60) months. In com-
 6 puting Kansas taxable income, such amortization shall be allowed
 7 as a deduction from Kansas adjusted gross income ratably over such
 8 sixty-month period beginning with the month in which such solar
 9 energy system is completed or acquired and placed into service by
 10 the taxpayer. The election of the taxpayer to claim the amortization
 11 deduction allowed by this section shall be indicated in an appro-
 12 priate statement attached to the taxpayer's income tax return for the
 13 taxable year in which such solar energy system was completed or
 14 acquired and placed into service. As used in this section, "adjusted
 15 basis of the solar energy system" shall mean an amount that is
 16 properly attributable to the construction, reconstruction, remodeling,
 17 installation or acquisition of such system.

18 *New Sec. 4.* As used in this act, solar energy system, means a sys-
 19 tem, including a wind energy system ~~which produces energy by~~
 20 ~~means other than by a windmill~~, designed primarily to provide
 21 heating, to provide cooling, to produce electrical power, to pro-
 22 duce mechanical power, or any combination thereof, by means
 23 of collecting and transferring solar- or wind-generated energy into
 24 such uses and which system also may have the capability of storing
 25 such energy for future utilization.

26 *Sec. 5.* K. S. A. 1975 Supp. 79-32,120, as amended by section 4
 27 of 1976 House bill No. 2694 is hereby amended to read as follows:
 28 79-32,120. (a) If federal taxable income of a resident in-
 29 dividual is determined by itemizing deductions from his
 30 federal adjusted gross income, he ~~such individual~~ may
 31 elect to deduct his ~~the individual's~~ Kansas itemized deduc-

1 tion in lieu of his ~~the individual's~~ Kansas standard deduc-
 2 tion. The Kansas itemized deductions of a resident indi-
 3 vidual means the total amount of his ~~such individual's~~ de-
 4 ductions from federal adjusted gross income, other than
 5 federal deductions for personal exemptions, as provided in
 6 the internal revenue code, with the modifications specified
 7 in this section.

8 (b) The total amount of deductions from federal adjusted
 9 gross income shall be reduced by the total amount of income
 10 taxes imposed by, or paid to this state or any other taxing
 11 jurisdiction to the extent that the same are deducted in de-
 12 termining the federal itemized deductions and, by the
 13 amount of medical and dental expenses claimed in deter-
 14 mining such deductions and by the amount of all deprecia-
 15 tion deductions claimed for any property upon which the
 16 deduction allowed by section 3 of this act is claimed.

17 (c) The total amount of deductions from federal adjusted
 18 gross income shall be increased by the sum of:

19 (i) The federal income tax liability under chapter 1 of
 20 the internal revenue code for the same taxable year for
 21 which the Kansas return is being filed after reduction for
 22 all credits thereon, except credits for federal withholding
 23 and payments on estimates of federal income tax, credits
 24 for gasoline and lubricating oil tax, and for foreign tax
 25 credits. If, in any year to which this act relates, the tax-
 26 payer pays federal income tax pertaining to a prior year's
 27 federal income tax liability, he ~~such taxpayer~~ may deduct
 28 such payment in the year such payment is made. *Provided,*
 29 That if, on the Kansas income tax return for such prior
 30 year he, ~~such taxpayer~~ computed his ~~the~~ federal income
 31 tax deduction on the basis of federal income tax paid in

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1 otherwise provided for in Kentucky statutes; however,
2 final determination and certification of proposals to
3 federal agencies shall be at the discretion of the unit
4 submitting the proposal.

5 (2) [(5)] The department [office for policy and
6 management] shall serve as the technical information
7 agency for the dissemination of information and technical
8 matters to local units of government.

9 Section 14. A new section of KRS Chapter 152 is
10 created to read as follows:

11 There is hereby created an agency of state govern-
12 ment to be known as the Kentucky center for energy
13 research. The center shall be headed by an administra-
14 tor, who shall be appointed by and report directly to the
15 Governor.

16 Section 15. A new section of KRS Chapter 152 is
17 created to read as follows:

18 (1) There is hereby created a board of energy
19 research. The Governor shall serve as chairman. The
20 administrator of the Kentucky center for energy research
21 shall serve as a member of the board and vice-chairman.
22 The following named officials shall serve as members of
23 the board ex-officio:

- 24 (a) The Secretary of Development, or his designee;
25 (b) The Commissioner, Department of Energy;
26 (c) The Secretary of Natural Resources and Environ-

- 1 mental Protection, or his designee;
- 2 (d) The Secretary of Transportation, or his designee;
- 3
- 4 (e) The Secretary of the Cabinet, or his designee;
- 5 (f) The Director, Office of State Planning;
- 6 (g) The Dean of the College of Engineering, University of Kentucky;
- 7
- 8 (h) The Dean of the University of Louisville, Speed Scientific School;
- 9
- 10 (i) Five (5) additional members shall be named by
- 11 the Governor.
- 12 (2) The Board shall meet at least once each calendar quarter or more often on the call of the Chairman, or
- 13
- 14 with the Chairman's approval, at the call of the Vice
- 15 Chairman.
- 16 (3) The Board shall be responsible for approving
- 17 demonstration projects to be supported by the Energy
- 18 Development and Demonstration Trust Fund.
- 19 (4) The Board is authorized to solicit, receive and
- 20 administer Federal or State agency funds in relation to
- 21 Federal or State programs of long-range energy planning
- 22 research and demonstration projects.
- 23 (5) The Administrator and the staff of the Center
- 24 shall serve as staff for the Board. The Board shall also
- 25 advise the Administrator in establishing long-range goals
- 26 and objectives for the Center. Members of the Board

1 shall not be otherwise compensated but shall be reim-
2 bursed for expenses incurred in connection with the exer-
3 cise of their duties at the Center.

4 Section 16. KRS 152.310 is amended to read as fol-
5 lows:

6 As used in KRS 152.310 to 152.390, and Section 14 of
7 this Act unless the context requires otherwise, the term
8 "research" includes scientific, technical, and economic
9 research and the practical application of that research;
10 the term "administrator" ["secretary"] shall mean the
11 administrator of the Kentucky center for energy research;
12 [secretary for development] the term "board" shall mean
13 the board for energy research.

14 Section 17. KRS 152.320 is amended to read as fol-
15 lows:

16 The administrator [secretary] shall formulate and
17 execute an extensive overall research program designed to
18 develop new and more effective uses for fossil fuels,
19 hydrocarbons and other natural resources and to improve
20 and expand existing uses for fossil fuels, hydrocarbons
21 and other natural resources.

22 Section 18. KRS 152.330 is amended to read as fol-
23 lows:

24 The administrator [secretary] shall:

25 (1) Contract for, sponsor, cosponsor, and promote
26 the coordination of research projects conducted by the

1 federal government and its agencies, industrial associa-
2 tions, educational institutions, qualified nonprofit
3 organizations, qualified private consulting firms, pri-
4 vate industry, and other agencies. In this phase of the
5 program the administrator [secretary] shall attempt to
6 make use of every existing suitable research facility in
7 Kentucky;

8 (2) Collect and promote the coordination of all
9 available research information on the production, pre-
10 paration, distribution, and uses of fossil fuels, hydro-
11 carbons and other natural resources;

12 (3) Make available to the public generally all
13 information, uses, products, processes, patents, and
14 other developments resulting from research authorized by
15 KRS 152.310 to 152.390;

16 (4) Cooperate to the fullest extent possible with
17 all state government agencies, federal government agen-
18 cies, departments, independent establishments, and all
19 other interested agencies, governmental and nongovern-
20 mental, public and private, domestic and foreign. Before
21 the administrator [secretary] initiates any research
22 under the authority of KRS 152.310 to 152.390 he shall
23 first consult with such departments, agencies, or inde-
24 pendent establishments of the federal government and of
25 state governments in order to avoid duplication of effort
26 and expense;

1 (5) Conduct research projects itself only when he
2 is unable to contract or otherwise provide for the
3 desired research to be conducted by any other qualified
4 organization or medium on reasonable terms and condi-
5 tions.

6 Section 19. KRS 152.340 is amended to read as fol-
7 lows:

8 (1) Whenever in the estimation of the administrator
9 [secretary] the purposes of KRS 152.310 to 152.390 would
10 be furthered through the use of patented processes or
11 equipment, the administrator [secretary] is authorized to
12 enter into such agreements as he deems necessary for the
13 acquisition or use of such patents on reasonable terms
14 and conditions.

15 (2) The administrator [secretary] is authorized to
16 acquire by condemnation, purchase, lease, or otherwise
17 such real property as may be necessary to enable him to
18 carry out his duties under KRS 152.310 to 152.390.

19 (3) The administrator [secretary] may accept funds
20 that are donated or otherwise made available to him, and
21 spend them in the program established by KRS 152.310 to
22 152.390.

23 Section 20. KRS 152.350 is amended to read as fol-
24 lows:

25 (1) The administrator [secretary] may conduct the
26 program established by KRS 152.310 to 152.390 from one

1 (1) physical office. The office may be located in or
2 near a government or academic research center, and it may
3 be moved.

4 (2) The administrator [secretary] may employ a
5 research specialist to conduct the program established by
6 KRS 152.310 to 152.390, and such other employees as may be
7 necessary. The research specialist shall be a person
8 with experience in industrial or chemical research.

9 Section 21. KRS 152.360 is amended to read as fol-
10 lows:

11 The administrator [secretary] may finance studies by
12 academic institutions or academic persons under the pro-
13 gram established by KRS 152.310 to 152.390. The adminis-
14 trator [secretary] shall recommend to the governor the
15 institutions and persons to which and the specific pur-
16 poses for which study grants should be made, and grants
17 shall be made by the governor. In making his recommenda-
18 tions the administrator [secretary] may call special
19 attention to institutions or persons that have developed
20 or promise to develop a new chemical, a new by-product,
21 or another derivative from fossil fuels, hydrocarbons or
22 other natural resources.

23 Section 22. KRS 152.390 is amended to read as fol-
24 lows:

25 In cooperation with the superintendent of public
26 instruction, the council on public higher education and

1 the governing bodies of the state institutions of higher
2 learning, the administrator [secretary] shall, wherever
3 feasible, make plans and provisions for extending the
4 program established by KRS 152.310 to 152.390 into the
5 regular courses of instruction in chemistry in the public
6 high schools and junior colleges, and state universities
7 and colleges.

8 Section 23. KRS 152.755 is amended to read as fol-
9 lows:

10 The administrator of the Kentucky center for energy
11 research, [secretary of the development cabinet] with the
12 approval of the governor, may execute contracts to
13 design, construct, or operate development or demonstra-
14 tion projects, subject to the approval of the board. To
15 such end, the administrator [secretary] may execute such
16 agreements up to a maximum of fifty million dollars
17 (\$50,000,000) for the period July 1, 1974 to January 1,
18 1979. Funds required under such agreement shall be
19 deemed a necessary governmental expense and paid by the
20 state treasurer upon approval of the executive department
21 for finance and administration. A copy of each agreement
22 executed shall be filed with the legislative research
23 commission.

24 Section 24. KRS 152.760 is amended to read as fol-
25 lows:

26 The board [secretary of the development cabinet]

1 may, if any project is deemed economically feasible,
2 request the state property and buildings commission to
3 issue revenue bonds pledging proceeds, including the
4 severance tax on coal produced as a result of the
5 project, for debt service to meet monetary commitments
6 under any contract executed.

7 Section 25. KRS 152.770 is amended to read as fol-
8 lows:

9 The general assembly recognizes that the chance of
10 failure as well as the promise of success affects the
11 developmental and demonstration projects for which state
12 support and joint participation is herein authorized.
13 The liability of the commonwealth in such projects shall
14 be limited to the express provisions of the contracts and
15 agreements herein authorized, and the commonwealth's
16 claims against other participants in projects herein
17 authorized shall also be limited to the expressed provi-
18 sions of such contracts and agreements. The board
19 [secretary of the development cabinet], or its [his] suc-
20 cessor, and agents shall be held harmless by the common-
21 wealth in the event of failure, abandonment, or termina-
22 tion of any project prior to completion, and the common-
23 wealth shall defend and indemnify the board, its
24 [secretary, his] successor, and agents against any suits
25 related to the administration of KRS 152.750 to 152.785
26 to the extent funds are available in the indemnity

1 account authorized in KRS 152.785.

2 Section 26. KRS 152.780 is amended to read as fol-
3 lows:

4 The administrator [secretary of the development
5 cabinet] may, with the prior approval of the commis-
6 sioner, executive department for finance and administra-
7 tion, employ staff to assist in the administration of KRS
8 152.750 to 152.785 and the costs may be charged against
9 the fund.

10 Section 27. KRS 152.785 is amended to read as fol-
11 lows:

12 (1) There is hereby established in the treasury of
13 the commonwealth a trust fund to be known as the "Energy
14 Development and Demonstration Trust Fund," herein
15 referred to as the "fund." The fund shall consist of such
16 amounts as may be appropriated by the general assembly,
17 interest earned on monies of the fund, grants, or private
18 contributions for the purpose of implementing KRS 152.750
19 to 152.780. The fund shall be managed by the board
20 [secretary for the development cabinet] and all expendi-
21 tures therefrom must be approved by the board [secretary]
22 or its [his] designated representative or the successor
23 positions. Unexpended balances in the fund shall be
24 invested in interest-bearing obligations of the United
25 States or in obligations guaranteed as to both principal
26 and interest by the United States, of maturities not in

1 excess of five (5) years, and the interest on and pro-
2 ceeds from the sale or redemption of any investments held
3 in the fund shall be credited to and form a part of the
4 fund.

5 (2) It shall be the duty of the board [secretary
6 for the development cabinet] or its [his] delegate to
7 manage the fund for the purposes authorized herein, and
8 to use the fund to satisfy the obligation of the state to
9 share proportionally with the federal government and any
10 private participant or participants the capital costs and
11 expenses of any authorized demonstration project or
12 projects. If expenditures from the fund have not been
13 made or committed as a part of the commonwealth's obli-
14 gation for financial participation in any development or
15 demonstration project on or before January 1, 1979, the
16 entire fund shall revert to the general expenditure fund
17 of the commonwealth.

18 (3) The commissioner of the executive department
19 for finance and administration is hereby authorized to
20 establish an "Indemnity Account" within the "Fund" and to
21 allocate monies to the account from funds appropriated or
22 otherwise available in the fund. The indemnity account
23 shall be used to satisfy any court judgments under KRS
24 152.770 to the extent that monies are available in said
25 indemnity account.

26 Section 28. KRS 152.020 is amended to read as fol-

1 commissioner of the Executive Department for Finance and
2 Administration, when such contracts are deemed necessary
3 to implement and carry out the program of the department.
4 He shall reimburse the travel expenses of the commission.

5 Section 29. KRS 152.050 is amended to read as fol-
6 lows:

7 There is hereby created in the development cabinet
8 [department] an economic development commission composed
9 of not more than twenty-two (22) [twenty-one (21)] mem-
10 bers. The commissioner of agriculture, the secretary of
11 the development cabinet and the commissioners of the
12 departments of labor and commerce shall serve, ex
13 officio. The other eighteen (18) members shall be
14 appointed by the governor for terms of one (1) year. The
15 governor shall designate one (1) of the members to serve
16 as chairman, and the commissioner of commerce shall act
17 as secretary. The commission shall serve in an advisory
18 capacity to the commonwealth in the planning and develop-
19 ment of its total program for economic development. The
20 cost of administrative facilities and services for the
21 commission shall be paid by the cabinet for development
22 [department of commerce].

23 Section 30. A new section of KRS Chapter 152 is
24 created to read as follows:

25 (1) There is created within the development cabinet
26 an agency of state government to be known as the depart-

1 ment of energy, which shall constitute a department of
2 the state government within the meaning of KRS Chapter
3 12. The department shall consist of a commissioner, an
4 energy resources advisory commission and such administra-
5 tive bodies and employees as are provided for by law.

6 (2) The department, subject to the provisions of
7 KRS Chapter 12.010 to 12.190, shall be organized into a
8 division of conservation, a division of allocation and a
9 division of resource development.

10 (3) The commissioner of the department of energy
11 shall be appointed by the governor and shall serve at the
12 pleasure of the governor. The commissioner shall have
13 general supervision and direction over all activities and
14 functions of the department and its employees, and shall
15 be responsible for carrying out the programs and policies
16 of the department. He shall be the chief executive offi-
17 cer of the department and, as such, shall have authority
18 to enter into contracts, subject to the approval of the
19 commissioner of the Executive Department for Finance and
20 Administration, when such contracts are deemed necessary
21 to implement and carry out the programs of the depart-
22 ment. He shall serve as the Governor's Energy Alloca-
23 tion, Conservation and Development Policy Advisor.

24 (4) The Department of Energy shall be the state
25 agency with primary responsibility for all non-research
26 energy programs not otherwise assigned to existing

1 agencies. The primary purpose of the department will be
2 to develop and recommend programs for the development and
3 utilization of energy in a manner to meet essential human
4 needs while maintaining the Kentucky economy at the high-
5 est feasible level.

6 Section 31. A new section of KRS Chapter 152 is
7 created to read as follows:

8 There is created in the department of energy an
9 energy resources advisory commission. The secretary of
10 development shall serve as chairman and the commissioner
11 of energy as secretary. The secretary of transportation,
12 the secretary of natural resources and environmental pro-
13 tection, the commissioner of mines and minerals, the
14 commissioner of commerce and the chairman of the public
15 service commission shall serve as ex-officio members.
16 The other members shall be appointed by the governor for
17 terms of four years. The commission shall advise the
18 commissioner of energy and the secretary of development
19 on all phases of the Kentucky energy program. The
20 commission shall meet at least quarterly. The cost of
21 administrative facilities and services for the commission
22 shall be paid by the department of energy.

23 Section 32. A new section of KRS Chapter 152 is
24 created to read as follows:

25 The duties and functions of the department of energy
26 shall be to:

- 1 (1) prepare and maintain a continuous inventory of
2 energy requirements and available supplies and capacities;
3 ities;
- 4 (2) formulate and update annually a comprehensive
5 energy management program for the Commonwealth which
6 shall specify alternative ways in which projected demands
7 for all forms of energy may be met by projected or
8 developable supplies;
- 9 (3) formulate and update at least annually a
10 contingency plan to cope with any energy shortages which
11 may occur from time to time;
- 12 (4) administer all programs relating to
13 curtailment, allocation, conservation, planning, and management of all forms of energy not specifically mandated
14 by existing statute;
- 15 (5) develop and encourage a comprehensive program
16 for the wise development of all forms of energy in the
17 Commonwealth, consistent with economic feasibility, environmental protection, and safety and health;
- 18 (6) develop, in cooperation with and through existing agencies, a process for the regulation of the siting
19 of energy production, conversion, distribution, and
20 transmission facilities;
- 21 (7) serve as a central access in State Government
22 for the collection, maintenance, and analysis of data,
23 and information on all forms of energy supplies, demand,
24
25
26

- 1 conservation, and related subjects;
- 2 (8) develop major conservation programs involving
- 3 all sectors of the Kentucky economy and including broad
- 4 public educational efforts as to desirable conservation
- 5 and utilization practices;
- 6 (9) investigate problems referred to it by the gen-
- 7 eral public concerning energy shortages and seek solu-
- 8 tions from any available public and private sources;
- 9 (10) review, study, and monitor the efficiency of
- 10 energy utilization in State Government operations,
- 11 including the areas of construction, transport, waste
- 12 disposal and recycling, fuels use, tax policies, and
- 13 other energy matters, and suggest remedial measures.
- 14 (11) review the Kentucky Revised Statutes to deter-
- 15 mine how laws can be modified to promote optimum energy
- 16 use, encourage conservation, and discourage waste of our
- 17 energy resources through utilization, to the degree pos-
- 18 sible, of personnel most directly involved with the func-
- 19 tioning of the laws under construction;
- 20 (12) recommend research and development efforts
- 21 which will contribute to the integrity and adequacy of
- 22 Kentucky's energy resources, with particular emphasis
- 23 given to recommendations for research and development for
- 24 utilization of coal resources and pollution control
- 25 methods which will facilitate utilization of coal;
- 26 (13) recommend content and procedures for energy

1 resource statements on all projects similar to the exist-
2 ing systems of environmental impact statements;

3 (14) review state building codes to insure a mini-
4 mum standard of insulation and heat-saving or shielding
5 devices, including ventilation, to reduce the need for
6 mechanical air conditioning;

7 (15) review on a continuing basis utility rates,
8 tax rates, license fees, and other regulatory or
9 revenue-sharing practices for their impact on energy con-
10 sumption;

11 (16) expedite the production of energy and energy
12 producing fuels in Kentucky through correlation of appro-
13 priate programs of other agencies;

14 (17) participate with the Federal Energy Adminis-
15 tration and other appropriate Federal agencies in admin-
16 istering programs relating to production, allocation,
17 planning, or conservation of energy;

18 (18) conduct research on the impact of current and
19 future energy supply and demand on the Kentucky economy
20 and perform research on transportation, manpower, mate-
21 rials and other appropriate areas that affect the produc-
22 tion of fossil fuels;

23 (19) appear and participate in proceedings before
24 the Federal Energy Administration, the Federal Power
25 Commission, and any other local, state, regional, or fed-
26 eral agency relating to the duties of the department; and

HOUSE OF DELEGATES

No. 1222

By: Delegates Zander, Becker and Docter
 Introduced and read first time: February 4, 1976
 Assigned to: Ways and Means

Committee Report: Favorable with amendments
 House Action: Adopted
 Read second time: March 30, 1976

APPROVED
 BY THE GOVERNOR

CHAPTER ~~7.40~~

MAY 17 '76

AN ACT concerning	40
Real Property Tax - Credits for Solar Energy	43
FOR the purpose of authorizing Baltimore City, any	47
county, or other city to provide for <u>certain</u> tax	48
credits against real property taxes on residential	49
or nonresidential buildings for using solar energy	50
heating or cooling units; providing that the amount	51
of the credit and other specifics shall be as the	52
county, Baltimore City, or other city provides	
<u>with an exception</u> ; and relating generally to tax	
credits for using solar energy heating or cooling	
units.	
BY adding to	54
Article 81 - Revenue and Taxes	57
Section 12F-4	58
Annotated Code of Maryland	59
(1975 Replacement Volume and 1975 Supplement)	60
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF	63
MARYLAND, That new Section 12F-4 be and it is hereby	65
added to Article 81 - Revenue and Taxes, of the Annotated	67
Code of Maryland (1975 Replacement Volume and 1975	68
Supplement) to read as follows:	69
Article 81 - Revenue and Taxes	72
12F-4.	75
THE GOVERNING BODY OF BALTIMORE CITY, ANY COUNTY, OR	78

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
 [Brackets] indicate matter deleted from existing law.
Underlining indicates amendments to the bill.
 [[Double brackets]] enclose matter stricken out of bill.
 Numerals at right identify computer lines of text.

ANY CITY WITHIN A COUNTY, BY ORDINANCE OR RESOLUTION 79
 ENACTED UNDER ITS USUAL PROCEDURE, MAY PROVIDE FOR TAX 80
 CREDITS AGAINST ANY LOCAL REAL PROPERTY TAXES LEVIED ON
 RESIDENTIAL OR NONRESIDENTIAL BUILDINGS OR OTHER 81
 STRUCTURES FOR USING SOLAR ENERGY HEATING OR COOLING 82
 UNITS FOR HEATING OR COOLING THE BUILDINGS OR OTHER
 STRUCTURES. THE AMOUNT OF ANY CREDIT PROVIDED FOR IN 83
 ACCORDANCE WITH THIS SECTION, THE DURATION FOR WHICH IT 84
 IS TO APPLY UP TO A MAXIMUM OF THREE YEARS, THE
 DEFINITIONS OF SOLAR ENERGY HEATING UNITS AND SOLAR 85
 ENERGY COOLING UNITS, AND ALL OTHER SPECIFICS PERTAINING
 TO THE TAX CREDIT SHALL BE AS THE COUNTY, BALTIMORE CITY, 86
 OR OTHER CITY DEEMS APPROPRIATE AND PROVIDES FOR IN THE 87
 ORDINANCE OR RESOLUTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act 91
 shall take effect July 1, 1976. 93

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.

HOUSE JOINT RESOLUTION No. 48

By: Delegates Santangelo, Bienen, Blumenthal, Devlin,
Exum, Garrity, Green, Komenda, McCaffrey, Menes,
Mothershead, Pesci, Redding, Ross, Rummage,
Sullivan, Trotter, Vallario, Wilkinson, and
Wolfgang

Introduced and read first time: January 23, 1976
Assigned to: Environmental Matters

Committee Report: Favorable
House Action: Adopted
Read second time: February 23, 1976

APPROVED
BY THE GOVERNOR

RESOLUTION NO. 49 :

MAY 4 '76

HOUSE JOINT RESOLUTION

A House Joint Resolution concerning	42
Solar Energy	45
FOR the purpose of requesting the Governor to appoint a	49
Commission to make recommendations to the General	50
Assembly by the 1977 Legislative Session that would	
further the State's effort in developing a solar	51
energy program.	
WHEREAS, The impact of the energy crisis upon the	53
nation, the State of Maryland and her several	54
subdivisions which reached dramatic proportions during	55
the Arab boycott and the concurrent rise in oil prices,	
initiated by the OPEC nations, has focused attention on	56
producing alternative energy resources; and	57
WHEREAS, Among the choices of these alternative	59
energy sources, currently under development or	60
consideration, are electrical energy produced in nuclear	
power plants, petroleum from shale rock, located in	61
western states, the possible use of geothermal energy	62
from the hot core of the earth, reversion of existing	63
power plants from oil powered generators to coal powered	
generators, and solar energy. Further, it is clear from	64
the advances made in space technology that the scientists	65
of this nation have made great advances in the use of	66
solar energy and its advance applications; and	
WHEREAS, In southern latitudes of our country, such	68

EXPLANATION:

Underlining indicates amendments to the resolution.
[[Double brackets]] enclose matter stricken out.
Numerals at right identify computer lines of text.

as Florida, homes are currently heated by advance applications of solar energy as a result of the increase in oil prices and in turn the cost of electrical energy from utility companies to certain consumers has decreased. There has been an increasing number of businesses created which hold themselves out to the public as being installers of radiant solar energy heating systems and claiming to have expertise and technical know-how to apply the use of solar energy for home heating. It is abundantly clear that the average home owner has little knowledge of the application of radiant solar energy technology which could be employed in heating his home, and therefore would fall easy prey to the chicanery which was associated with the home improvement industry before State regulations and controls were enacted by the Maryland General Assembly; and

WHEREAS, At this stage of development in solar energy many technical and legal problems must be considered in order to insure adequate protection of the public. At this current time, the Federal Bureau of Standards is studying the possibilities and capacities of various materials used in the construction of collectors of radiant solar energy for the purpose of determining the necessary benefits of the materials essential for optimum and efficient use in constructing solar energy collectors. In addition, the very nature of solar energy collectors at this stage of development requires that the collectors be placed upon roof tops or in open fields. Immediately, the legal problems created by the construction or installation of such collectors on roof tops and open fields requires that existing zoning laws, building codes, and standards for construction materials be revised, and the reexamination of air rights, the reexamination of that body of law dealing with attractive nuisances, the examination of building codes from the aspect of implementing radiant solar energy system on an existing building constructed during the period when housing code regulations were nonexistent, the relationship and legal rights of the various parties concerned as between a private home owner installing a radiant solar energy system in relation to the existing utility company which currently provides him with gas or electricity for heating, and the possible dilemma individual home owners might find themselves in if the covenants on their home or property within their particular housing subdivision would prevent the construction of a radiant solar energy system in their home without approval of 50 percent of the neighbors in their subdivision who might consider the construction of a solar energy collector as an eyesore; and

WHEREAS, The need for finding alternative sources of energy is rapidly bringing into consideration various

applications of solar energy, it behooves the government 110
of the State of Maryland to begin the necessary study and 111
review not only to insure the protection of consumers but 112
to facilitate the use of solar energy as an alternative 113
in a manner which will have the least disruption of 114
existing business relationships and the least impediment
upon the rights of individuals; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That 116
the Governor of the State of Maryland shall upon receipt 117
of this Resolution call upon representatives of the 118
various agencies and departments of the State of Maryland
to set forth their best ideas on the use of solar energy 119
not only for the private citizens but the State 120
government. And the Governor is hereby urged to appoint
a Solar Energy Commission, comprised of representatives 121
from the scientific community from the State of Maryland, 122
representatives from the utility companies,
representatives of the State Planning Department, the 123
Department of Natural Resources, the Department of 124
Health, and several members of the Maryland General 125
Assembly, to make recommendations by the 1977 Legislative
Session; and be it further 126

RESOLVED, That copies of this Resolution be sent to 128
the Governor.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.

S 1418

Chapter 433

THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Seventy-six*AN ACT REQUIRING ESTIMATES BE TAKEN FOR SOLAR AND WIND
ENERGY UTILIZATION FOR STATE CONSTRUCTION.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 149 of the General Laws is hereby amended by inserting after section 44L the following section:-

Section 44M. As used in this section the following words shall, unless the context clearly requires otherwise, have the following meanings:- "New building" shall include an entire building or any addition to an existing building that adds at least ten per cent gross floor space to the building, where the cost of construction is estimated to exceed twenty-five thousand dollars. The phrase "life-cycle cost estimate" shall mean the cost of installing, financing, fueling, maintaining and replacing an energy system including the cost of energy conservation measures to reduce an energy system's required capacity or fuel consumption and any other costs incidental to owning such energy system. The phrase "life-cycle cost estimate" shall be further defined in regulations to be issued by the bureau of building construction and thereafter updated at least every two years. The phrase "technically feasible energy systems" shall include, but not be limited to: any equipment that is employed to heat a building, or heat water used in the building, or generate electricity for the building and that uses the sun, wind, oil, natural gas, or electricity as its power supply in whole or in part; any equipment that is employed to cool a building and that uses the sun or electricity as its power source in whole or in part; and energy conservation measures included in the building design and construction that decrease the building's energy requirements in whole or in part.

All public awarding authorities subject to the bidding requirements of sections forty-four A through forty-four L of this chapter excluding the city of Boston for a four year period beginning upon the effective

date of this act shall ensure that energy system life-cycle cost estimates are considered during the preliminary design of all new buildings. Life-cycle cost estimates shall be obtained for technically feasible energy systems, including any economically advantageous combination of energy systems, reasonably capable of meeting in whole or in part the anticipated energy requirements of a new building. The bureau of building construction shall issue a list, as part of its regulations pursuant to this act mandating the minimum number and types of energy systems for which life-cycle cost estimates must be obtained in compliance with this section. Said list shall be updated and revised at least every two years. For the purpose of determining life-cycle cost estimates, location of initial building design upon the selected site shall maximize exposure to the sun for a solar energy system or the wind energy system's exposure to the wind. The life-cycle cost estimates shall be employed to determine the least costly energy system.

Summaries of the energy system life-cycle cost estimates shall be filed with the bureau of building construction. Nothing in this section shall be deemed to require an awarding authority to select any energy system other than the one desired by such awarding authority.

The bureau of building construction shall have authority to issue any regulations, lists, or definitions necessary to accomplish the purposes of this section.

SECTION 2. If any provision of section forty-four M or the application of such provision to any person or circumstance shall be held invalid or unconstitutional, the other provisions of said section or the application of such provision to any person or circumstance other than that as to which it is held invalid or unconstitutional, shall not be affected thereby.

House of Representatives, October 12, 1976.

Passed to be enacted, *Thomas W. McKea*, Speaker.

In Senate, October 12, 1976.

Passed to be enacted, *Kevin B. Humphreys*, President.

October 19, 1976,
Approved,

Richard J. Rhodes, Governor.

Chapter 487

THE COMMONWEALTH OF MASSACHUSETTS

In the Year One Thousand Nine Hundred and Seventy-six

AN ACT PROVIDING FOR A CORPORATE TAX INCENTIVE FOR THE USE
OF ALTERNATIVE ENERGY SOURCES.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to provide corporate tax incentives for alternative energy sources in taxable years ending on and after December thirty-first, nineteen hundred and seventy-six, therefore, it is hereby declared to be an emergency law necessary for the preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 63 of the General Laws is hereby amended by inserting after section 38G of the following section:-

Section 38H. (a) In determining the net income subject to tax under this chapter a domestic or foreign business corporation, at its election, may deduct the expenditures paid or incurred during the taxable year with respect to the installation of any solar or wind powered climatic control unit and any solar or wind powered water heating unit or any other type unit or system powered thereby including the cost of labor attendant to the installation thereof and the conversion of any climatic control unit or any water heating unit, or other unit, to solar or wind power including the cost of labor attendant to the conversion thereof; provided, however, that such unit or system has a situs in the commonwealth and is used exclusively in the trade or business of such corporation.

(b) Such deduction shall be allowed only-

(1) on condition that the net income for the taxable year and all succeeding taxable years be computed without any exemption, credit or deduction for such expenditures or for depreciation of the property other than the deductions allowed by this section, and

(2) with respect to a solar or wind powered climate control unit and any solar or wind powered water heating unit or any other type unit

or system powered thereby for which the manufacturer's british thermal unit impact statement has been submitted to the director of the bureau of building construction and which have been certified by said director as complying with applicable provisions of regulations and standards issued by him pursuant to law.

(c) No deduction shall be allowed under the provisions of this section for the cost of purchase, installation, operation or maintenance of any other climate control unit, any water heating unit or other unit used ancillary to any solar or wind powered unit.

(d) If expenditures with respect to any solar or wind powered climate control unit and any solar or wind powered water heating unit or any other type unit or system powered thereby have been deducted as provided herein and if within ten years from the end of the taxable year in which such deduction was allowed such unit or system or any part thereof is used other than exclusively in the corporation's trade or business, the corporation shall report such change of use in its return for the first taxable year during which it occurs, and the commissioner may recompute the tax for the year or years for which such deduction was allowed and may assess any additional tax resulting from such recomputation within the period of assessment applicable to such return.

(e) In any taxable year when property is sold or otherwise disposed of, with respect to which a deduction has been allowed pursuant to this section, such deduction shall be disregarded in computing gain or loss, and the gain or loss on the sale or other disposition of such property shall be the gain or loss resulting if the deduction provided by this section had not been elected and the cost or other basis of the solar or wind powered climate control unit and any solar or wind powered water heating unit or any other type unit or system powered thereby had been reduced by straight-line depreciation based on the useful life of such unit or system; provided, however, that if such sale or other disposition of such unit or system occurs within three years of the date such unit or system is placed in service the basis shall be zero.

(f) A solar or wind powered climate control unit and any solar or wind powered water heating unit or any other type unit or system powered thereby which qualifies for the deduction provided for by this section shall not be subject to taxation under the tangible property measure of the excise imposed by clause (1)(i) of subsection (a) of section thirty-two or clause (1)(i) of subsection (a) of section thirty-nine.

The Commonwealth of Massachusetts*In the Year One Thousand Nine Hundred and Seventy-Six.*

AN ACT PROVIDING FOR THE CONVEYANCE OF CERTAIN LAND AND BUILDINGS TO THE EXECUTIVE OFFICE OF ADMINISTRATION AND FINANCE TO BE HELD BY SAID EXECUTIVE OFFICE FOR USE BY THE UNITED STATES GOVERNMENT AS THE LOCATION FOR THE SOLAR ENERGY RESEARCH INSTITUTE OR ANY OTHER ACTIVITIES RELATING TO ENERGY DEVELOPMENT.

1 *Whereas*, The deferred operation of this act would tend to
2 defeat its purpose, which is, in part, to facilitate the location of
3 the Solar Research Institute within the commonwealth, therefore
4 it is hereby declared to be an emergency law, necessary for the
5 immediate preservation of the public convenience.

*Be it enacted by the Senate and House of Representatives in
General Court assembled, and by the authority of the same, as
follows:*

1 SECTION 1. As used in this act, the following terms shall
2 have the following meanings unless the context clearly indicates
3 another meaning and intent:

4 "ERDA" means the United States government, as represented
5 by the Energy Research and Development Administration.

6 "SERI" shall mean a program of ERDA, entitled the Solar
7 Energy Research Institute, pursuant to section 10 (a) of the Solar
8 Energy Research, Development, and Demonstration Act of 1974
9 (P.L. 93-473, U.S. Congress).

10 "RFP" shall mean the Request for Proposal to establish the
11 Solar Energy Research Institute as issued by ERDA on March
12 12, 1976 and as amended at ERDA's option.

13 "Manager-operator" shall mean the responsible organization,
14 public or private, to which ERDA's contract to manage and
15 operate SERI is awarded.

16 "New England SERI proposal" shall mean exclusively the
17 proposal submitted to ERDA, on behalf of the six New England
18 states and under the approval and direction of the New England

19 Council, that cites a responsible manager-operator, an initial site,
20 and a future site for SERI.

1 SECTION 2. The care and control of the land of the
2 commonwealth, with the buildings thereon, located in the town of
3 Westboro formerly used by the Lyman School for Boys is hereby
4 transferred to the executive office of administration and finance.
5 Said land and buildings shall be maintained in the condition they
6 were in on the effective date of this act and not less than three
7 hundred contiguous acres of said land with the buildings thereon
8 shall be held for the exclusive use of the manager-operator as
9 designated in the New England SERI proposal until such time as
10 the SERI contract is awarded by the ERDA.

11 If said manager-operator is awarded the SERI contract the
12 secretary of administration is hereby authorized, on behalf of the
13 commonwealth to enter into an agreement to convey to the
14 ERDA at its option, for a consideration of one dollar, three
15 hundred contiguous acres of land with the buildings thereon,
16 hereinbefore required to be held for the exclusive use of the
17 manager-operator. Said agreement shall provide that title and
18 possession of said land shall be delivered to the ERDA within
19 sixty days of the exercise of said option if the option is exercised
20 within five years from the date of the execution of the SERI
21 contract or within such further time as the secretary of
22 administration and the ERDA shall agree upon. Said agreement
23 shall contain such assurances as to title and possession and use as
24 the ERDA may require including a provision that the use of such
25 land and buildings for the purposes of SERI shall not be subject
26 to any law or condition which would impede the full use thereof
27 for said purposes. Any land placed under the control of the
28 executive office of administration and finance by this act which is
29 not conveyed to ERDA, as provided in section two, shall be held
30 by said office subject to disposition by the general court.

31 In the event that the SERI contract with the manager-operator
32 is terminated in its entirety prior to the exercise of said option, the
33 option shall cease as of the date of such termination, unless the
34 secretary of administration and ERDA agree otherwise.

Act No. 132
Public Acts of 1976
Approved by Governor
May 27, 1976

**STATE OF MICHIGAN
78TH LEGISLATURE
REGULAR SESSION OF 1976**

Introduced by Rep. Bullard
Reps. Bonior and McCollough named as co-sponsors

ENROLLED HOUSE BILL No. 4137

AN ACT to amend Act No. 167 of the Public Acts of 1933, entitled as amended "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," as amended, being sections 205.51 to 205.78 of the Compiled Laws of 1970, by adding section 4h.

The People of the State of Michigan enact:

Section 1. Act No. 167 of the Public Acts of 1933, as amended, being sections 205.51 to 205.78 of the Compiled Laws of 1970, is amended by adding section 4h to read as follows:

Sec. 4h. (1) A person subject to tax under this act need not include in the amount of his gross proceeds used for the computation of the tax any sales of tangible property for a solar, wind, or water energy conversion device used to supply converted solar, wind, or water energy for heating, cooling, or electrifying an existing or new residential or commercial building.

(2) As used in this section, "solar, wind, or water energy conversion device", means a mechanism or series of mechanisms designed primarily to collect, convert, transfer, or store for future use solar, wind, or water energy for the purposes of heating, cooling, or electric supply but not those parts of a heating, cooling, or electric supply system that would be required regardless of the energy source being utilized.

(3) As used in this section, "water energy conversion device" includes only those devices that utilize the temperature differences between low and high water levels.

(4) For the purposes of this section "commercial building" excludes any building owned by a corporation which has as any part of its business the designing or building of solar, wind, or water energy conversion devices for resale.

(5) This section shall take effect January 1, 1976.

(6) This section shall not be effective after January 1, 1985.

This act is ordered to take immediate effect.

(86)

Act No. 133
Public Acts of 1976
Approved by Governor
May 27, 1976

STATE OF MICHIGAN
78TH LEGISLATURE
REGULAR SESSION OF 1976

Introduced by Rep. Bullard
Reps. Bonior and McCollough named co-sponsors

ENROLLED HOUSE BILL No. 4138

AN ACT to amend Act No. 94 of the Public Acts of 1937, entitled as amended "An act to provide for the levy, assessment and collection of a specific excise tax on the storage, use or consumption in this state of tangible personal property and certain services; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," as amended, being sections 205.91 to 205.111 of the Compiled Laws of 1970, by adding section 4e.

The People of the State of Michigan enact:

Section 1. Act No. 94 of the Public Acts of 1937, as amended, being sections 205.91 to 205.111 of the Compiled Laws of 1970, is amended by adding section 4e to read as follows:

Sec. 4e. (1) The tax levied shall not apply to the use of tangible property for a solar, wind, or water energy conversion device used to supply converted solar, wind, or water energy for heating, cooling, or electrifying an existing or new residential or commercial building.

(2) As used in this section, "solar, wind, or water energy conversion device", means a mechanism or series of mechanisms designed primarily to collect, convert, transfer, or store for future use solar, wind, or water energy for the purposes of heating, cooling, or electric supply but not those parts of a heating, cooling, or electric supply system that would be required regardless of the energy source being utilized.

(3) As used in this section, "water energy conversion device" includes only those devices that utilize the temperature differences between low and high water levels.

(4) For the purposes of this section "commercial building" excludes any building owned by a corporation which has as any part of its business the designing or building of solar, wind, or water energy conversion devices for resale.

(5) This section shall take effect January 1, 1976.

(6) This section shall not be effective after January 1, 1985.

This act is ordered to take immediate effect.

(87)

Act No. 135
Public Acts of 1976
Approved by Governor
5/27

STATE OF MICHIGAN
78TH LEGISLATURE
REGULAR SESSION OF 1976

Introduced by Reps. Bullard, Gerald and Clodfelter
Reps. Bonior and McCollough named co-sponsors

ENROLLED HOUSE BILL No. 4139

AN ACT to amend section 7 of Act No. 206 of the Public Acts of 1893, entitled as amended "An act to provide for the assessment of property and the levy and collection of taxes thereon, and for the collection of taxes heretofore and hereafter levied; making such taxes a lien on the lands taxed, establishing and continuing such lien, providing for the sale and conveyance of lands delinquent for taxes and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to define and limit the jurisdiction of the courts in proceedings in connection therewith; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to provide penalties for the violation of this act; and to repeal all acts and parts of acts in anywise contravening any of the provisions of this act," as amended, being section 211.7 of the Compiled Laws of 1970; and to add section 7h.

The People of the State of Michigan enact:

Section 1. Section 7 of Act No. 206 of the Public Acts of 1893, as amended by Act No. 358 of the Public Acts of 1974, being section 211.7 of the Compiled Laws of 1970, is amended and section 7h is added to read as follows:

Sec. 7. The following property shall be exempt from taxation:

(88)

First, All public property belonging to the United States. Such exemption shall not apply where taxation of such property has been specifically authorized by federal legislative action or federal administrative rule, regulation, or lease.

Second, All public property belonging to the state, except licensed homestead lands, part-paid lands held under certificates, and lands purchased at tax sales, and still held by the state. This exemption shall not apply to any lands hereinafter acquired unless a deed or other memorandum of conveyance is recorded in the county where such lands are located prior to December 31 of the year of acquisition, or the local assessing officer is notified by registered mail of such acquisition prior to December 31 of the year of acquisition.

Third, Property owned by or being acquired pursuant to an installment purchase agreement by a county, township, city, village, or school district used for public purposes and property owned or being acquired by an agency, authority, instrumentality, nonprofit corporation, commission, or other separate legal entity comprised solely of, or which is wholly owned by, or whose members consist solely of 1 or a combination of political subdivisions or a combination of political subdivisions and the state and is used to carry out a public purpose itself or on behalf of such political subdivisions or combination: Provided, That parks shall be open to the public generally. This exemption shall not apply to property hereinafter acquired unless a deed or other memorandum of conveyance is recorded in the county where the property is located prior to December 31 of the year of acquisition, or the local assessing officer is notified by registered mail of such acquisition prior to December 31 of the year of acquisition.

Fourth, Such real estate or personal property as shall be owned and occupied by nonprofit theater, library, benevolent, charitable, educational, or scientific institutions and memorial homes of world war veterans incorporated under the laws of this state with the buildings and other property thereon while occupied by them solely for the purposes for which they were incorporated. Also charitable homes of fraternal or secret societies and nonprofit corporations whose stock is wholly owned by religious or fraternal societies which own and operate facilities for the aged and chronically ill, in which no part of the net income from the operation of such corporations inures to the benefit of any person(s) other than the residents. Also real estate not to exceed 400 acres of land in this state owned by any boy or girl scout or camp fire girls organization, 4-H clubs or foundation, or by young men's Christian associations or young women's Christian associations, if at least 50% of the membership of the associations or organizations are residents of this state, but upon petition of any association or organization the board of commissioners may waive the residence requirement while occupied by them solely for the purpose for which they were incorporated or established. Also the real estate and building of any clinic erected, financed, occupied, and operated by a nonprofit corporation or by the trustees of health and welfare funds, if the funds of such corporation or such trustees are derived solely from payments and contributions under the terms of collective bargaining agreements between employers and representatives of employees for whose use the clinic is maintained. Also real estate with the buildings and other property thereon, owned and occupied by any nonprofit trust and used for hospital or public health purposes, but excluding excess acreage not actively utilized for hospital or public health purposes, and real estate and dwellings located thereon used for dwelling purposes for resident physicians and their families.

Fifth, All houses of public worship, with the land on which they stand, the furniture therein and all rights in the pews, and also any parsonage owned by any religious society of this state and occupied as such.

Sixth, All lands used exclusively as burial grounds, and the rights of burial therein, and the tombs and monuments therein, while reserved and in use for the purpose. The stock of any corporation owning such burial grounds shall not be exempt.

Seventh, The real and personal property of persons who, in the opinion of the supervisor and board of review, by reason of poverty, are unable to contribute toward the public charges.

Eighth, The real property of corporations exempt under the laws of this state, by reason of paying specific taxes in lieu of all other taxes for the support of the state. Tracks, right of way, depot grounds and buildings, machine shops, rolling stock, and all other property necessarily used in operating any railroad in this state belonging to any railroad company, shall henceforth remain exempt from taxation for any purpose, except that the same shall be subject to special assessments for local improvements in cities and villages, and all lands owned or claimed by any such railroad company not adjoining the tracks of such company, shall be subject to all taxes.

Ninth, Property owned exclusively by the state agricultural society or any county or district agricultural society, and used by any such society exclusively for fair purposes.

Tenth, All land dedicated to the public, which is hereby defined to be and include all residents of the state, and actually used as a park open to the public generally and any monument ground or any armory belonging to any military organization, and not used for gain or any other purposes; and all property owned by a nonprofit corporation organized to take title to property previously owned by the state when the property owned by such corporation is leased to the state.

Thirteenth, A landing area for which a fee has been paid pursuant to section 86 of Act No. 327 of the Public Acts of 1945, as amended, being section 259.86 of the Michigan Compiled Laws. For the purpose of

this section "landing area" means an area of an airport or landing field available to the public without charge for noncommercial use at all times for use in landing, taking off, or taxiing of aircraft, excluding the area and facilities for shelter, servicing, or repair of aircraft, or for receiving or discharging passengers or cargo.

Fourteenth, Property which is leased, loaned, or otherwise made available to a school district, community college or other state supported educational institution which would have been exempt from ad valorem taxation had it been occupied by its owner solely for the purposes for which it was incorporated, shall be exempt from ad valorem taxation so long as it is used by the school district, community college or other state supported educational institution primarily for public school purposes.

Sec. 7h. (1) As used in this section:

(a) "Solar, wind, or water energy conversion device" means a mechanism or series of mechanisms designed primarily to collect, convert, transfer, or store for future use solar, wind, or water energy for the purposes of heating, cooling, or electric supply but not those parts of a heating, cooling, or electric supply system that would be required regardless of the energy source being utilized.

(b) "Water energy conversion device" includes only those devices that utilize the temperature differences between low and high water levels.

(c) "Solar, wind, or water energy tax exemption certificate" means a certificate issued by the state tax commission entitling a solar, wind, or water energy conversion device to exemption from real and personal property taxes, sales taxes, and use taxes.

(2) An application for a solar, wind, or water energy tax exemption certificate shall be filed with the township or city assessor in such form as may be prescribed by the state tax commission. The application shall contain plans and specifications of the device and a statement of the cost of the device. The application shall be submitted to the state tax commission for their approval or disapproval.

(3) If the state tax commission finds that the solar, wind, or water energy conversion device is appropriate for tax exemption under this section, a certificate of tax exemption shall be issued. Any disapproval shall be stated in writing on the application. The effective date of the certificate shall be the date of issue of the certificate, except that the property tax exemption shall commence on December 31 of the year issued.

(4) For the period subsequent to the effective date of the certificate and continuing so long as the certificate is in force, a solar, wind, or water energy conversion device covered thereby is exempt from real and personal property taxes imposed under Act No. 206 of the Public Acts of 1893, as amended, being sections 211.1 to 211.157 of the Michigan Compiled Laws. The certificate shall state the total acquisition cost of the device.

(5) The state tax commission shall send a solar, wind, or water energy tax exemption certificate, when issued, or a notification of refusal to issue, by certified mail to the applicant, and a copy to the township or city assessor.

(6) The state tax commission may revoke a solar, wind, or water energy tax exemption certificate where the certificate was obtained by fraud or misrepresentation, and, when a certificate is revoked because it was obtained by fraud or misrepresentation, all taxes which would have been payable if a certificate had not been issued shall be immediately due and payable with the maximum interest and penalties prescribed by applicable law. Any statute of limitations shall not operate in the event of fraud or misrepresentation. The state tax commission shall notify the applicant and the township or city assessor by certified mail of the revocation of a solar, wind, or water energy tax exemption certificate.

(7) A party aggrieved by the issuance, refusal to issue, revocation, or modification of a solar, wind, or water energy tax exemption certificate may appeal from the state tax commission's finding to the state tax tribunal.

(8) The state tax commission shall compile and annually report to the legislature statistics on the operation of this law, including number, type, and value of certificates granted, denied, and revoked, by industrial, commercial, and residential class.

(9) Authorization to issue a new solar, wind, or water energy tax exemption certificate shall expire June 30, 1985, unless extended by the legislature, but all certificates issued prior to that date shall remain in force unless revoked under subsection (6).

(10) This section shall not be deemed to preclude the necessity of obtaining a permit for construction required by any other law or ordinance.

(11) A solar, wind, or water energy tax exemption certificate shall not be issued for any device which is part of a commercial building owned by a corporation which has as any part of its business the designing or building of solar, wind, or water energy conversion devices for resale.

HOUSE BILL No. 5893

January 19, 1976, Introduced by Reps. Anderson, McCollough, Owen
and Gingrass and referred to the Committee on Appropriations.

A bill to make an appropriation to supplement former appropriations to the department of commerce for certain special purposes; and to provide for the expenditure of the appropriation.

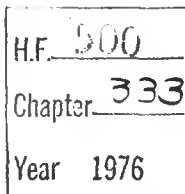
THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. There is appropriated to the department of commerce the sum of
2 \$250,000.00, or as much thereof as may be necessary, for the purpose of prepar-
3 ing a proposal on behalf of this state to be submitted to the federal energy
4 research and development administration in connection with the location of the
5 proposed national solar energy research institute.

6 Sec. 2. The department may contract with state or local governmental
7 agencies or with private businesses or agencies to assist the department in
8 the preparation of the proposal funded by this act.

9 Sec. 3. The appropriation made by this act shall be expended in accord-
10 ance with the accounting laws of the state.

5196 '76



1 A bill for an act

2 relating to energy; authorizing the director of

3 the Minnesota energy agency to appoint certain

4 employees; establishing an energy conservation

5 information center; prohibiting the use of certain

6 gas lamps; requiring certain reports to the

7 legislature; requiring promulgation of energy

8 conservation rules; requiring surveys of certain

9 public buildings; providing for solar energy

10 performance standards; providing for monitoring of

11 energy research; providing compensation and

12 expense reimbursement for public members of the

13 energy commission; appropriating money; amending

14 Minnesota Statutes 1974, Sections 116H.02, by

15 adding subdivisions; 116H.03, Subdivision 3;

16 116H.12, by adding subdivisions; and Chapter 116H,

17 by adding sections.

18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

19 Section 1. Minnesota Statutes 1974, Section 116H.02,

20 is amended by adding a subdivision to read:

21 Subd. 10. Decorative gas lamp" means a device

22 installed for the purpose of producing illumination by

23 burning natural, mixed, or LP gas and utilizing either a

24 mantle or an open flame, but does not include portable camp

25 lanterns or gas lamps.

26 Sec. 2. Minnesota Statutes 1974, Section 116H.02, is

27 amended by adding a subdivision to read:

28 Subd. 11. "Solar energy system" means a set of devices

29 whose primary purpose is to collect solar energy and convert

1 and store it for useful purposes including heating and

2 cooling buildings or other energy-using processes, or to

3 produce generated power by means of any combination of

4 collecting, transferring, or converting solar-generated

5 energy.

6 Sec. 3. Minnesota Statutes 1974, Section 116H.03,

7 Subdivision 3, is amended to read:

8 Subd. 3. The director shall be appointed by the

9 governor with the advice and consent of the senate, to a

10 four-year term which shall coincide with the term of the

11 governor and until his successor is duly appointed and

12 qualified. In appointing the director the governor should

13 give due consideration to the listing of names submitted by

14 the commission pursuant to section 116H.04. The director

15 shall serve at the pleasure of the governor.

16 A vacancy in the office of director shall be filled by

17 the governor and the new appointee shall immediately take

18 office and carry out all duties until the next session of

19 the legislature when his appointment shall be submitted to

20 the senate for confirmation.

21 The director may appoint a deputy ~~who shall~~ director

22 and a personal secretary to serve at his pleasure. The

23 salaries of the director and the deputy shall be fixed by

24 the governor until otherwise expressly provided for by law.

25 The deputy may be authorized by the director to perform

26 every duty, power and responsibility imposed on the director

27 unless expressly forbidden by law. The director and his

28 deputy and his personal secretary shall serve in the

29 unclassified service and shall be members of the Minnesota

30 state retirement system.

31 Sec. 4. Minnesota Statutes 1974, Chapter 116H, is

32 amended by adding a section to read:

1 [116H.085] [ENERGY CONSERVATION INFORMATION CENTER,]
 2 The director shall establish an energy conservation
 3 information center in the agency's offices in St. Paul. The
 4 information center shall maintain a toll-free telephone
 5 information service and disseminate printed materials on
 6 energy conservation topics, including but not limited to,
 7 availability of loans and other public and private financing
 8 methods for energy conservation physical improvements, the
 9 techniques and materials used to conserve energy in
 10 buildings, including retrofitting or upgrading insulation
 11 and installing weatherstripping, the projected prices and
 12 availability of different sources of energy, and the
 13 alternative sources of energy.
 14 Sec. 5. Minnesota Statutes 1974, Section 116H.12, is
 15 amended by adding a subdivision to read:
 16 Subd. 3a. Beginning 12 months after the effective date
 17 of this act, no person shall use a decorative gas lamp in
 18 Minnesota except as provided in section 6 of this act. All
 19 natural gas utilities and LP gas distributors doing business
 20 in Minnesota shall notify each of their customers of this
 21 prohibition, in writing, at least 120 days prior to the
 22 deadline including such information as the agency may
 23 require. The agency shall notify all natural gas utilities
 24 and LP gas distributors of this requirement and of the
 25 entire form and contents of such notice within 30 days of
 26 the effective date of this act, including the necessary
 27 technological information to adapt gas lights to
 28 electricity.
 29 Sec. 6. Minnesota Statutes 1974, Section 116H.12, is
 30 amended by adding a subdivision to read:
 31 Subd. 3b. The director may grant a variance where
 32 conversion is not possible with reasonable cost.

1 Sec. 7. Minnesota Statutes 1974, Section 116H.12, is
 2 amended by adding a subdivision to read:
 3 Subd. 10. The director shall report to the legislature
 4 not later than March 1, 1977, on the economic and
 5 technological feasibility of implementing a program of
 6 energy conservation in Minnesota with respect to room air
 7 conditioners and standing pilot light equipment. The study
 8 shall include consideration of:
 9 (1) The economic feasibility of the program and the
 10 impact on consumers, agriculture, business and interstate
 11 commerce;
 12 (2) The technological feasibility of implementing the
 13 program including safety considerations;
 14 (3) The potential reduction in energy consumed in
 15 Minnesota which would result from implementing the program;
 16 (4) Substantial state need for the program in relation
 17 to the progress of similar energy conservation programs
 18 undertaken by the federal energy agency under the mandate of
 19 the federal energy policy and conservation act of 1975.
 20 For the purposes of this subdivision "economic
 21 feasibility" means that the benefits from reduced energy
 22 consumption and the savings in operating costs throughout
 23 the estimated average life of the product outweigh
 24 (a) Any increase to purchasers in initial charges for,
 25 or, maintenance expenses of, the product which is likely to
 26 result from implementing the program;
 27 (b) Any lessening of the utility, safety, dependability
 28 or performance of the product; and
 29 (c) Any negative effects on competition.
 30 Sec. 8. Minnesota Statutes 1974, Chapter 116H, is
 31 amended by adding a section to read:
 32 [116H.121] [ENERGY CONSERVATION STANDARDS IN CERTAIN

1 PUBLIC BUILDINGS.] Before February 1, 1977, the commissioner
 2 of administration in consultation with the director, shall
 3 amend the rules concerning heat loss, illumination, and
 4 climate control standards promulgated pursuant to Minnesota
 5 Statutes, 1975 Supplement, Section 116H.12, Subdivision 4,
 6 to include standards for all existing buildings heated by
 7 oil, coal, gas, or electric units which are owned by the
 8 state, the university of Minnesota, any city, any county, or
 9 any school district. Compliance with standards adopted
 10 pursuant to this section shall not be mandatory for
 11 buildings owned by any city, county or school district.

12 Sec. 9, Minnesota Statutes 1974, Chapter 116H, is
 13 amended by adding a section to read:

14 [116H.122] (ENERGY CONSERVATION IN STATE OWNED
 15 BUILDINGS.) Before January 1, 1980, the commissioner of
 16 administration, in cooperation with the director, shall
 17 survey all buildings which are heated by oil, coal, gas, or
 18 electric units and which are owned by the state of
 19 Minnesota, including buildings and associated facilities of
 20 the state university system, the state fairgrounds as
 21 defined in section 37.01, the Minnesota historical society
 22 building, and all buildings under the administration or
 23 supervision of the commissioners of natural resources,
 24 corrections, welfare, or transportation, to determine the
 25 energy savings that can be accomplished through insulation,
 26 climate control or illumination modifications. The survey
 27 shall determine, based upon a formula specified by the
 28 director, the estimated remaining useful life of each
 29 building, together with the present degree and estimated
 30 cost of compliance with the energy conservation standards
 31 promulgated pursuant to section 8 of this act. The survey
 32 shall include an estimate, based upon a formula specified by

1 the director, of the annual potential savings in fuel
 2 procurement costs for existing heating and cooling systems
 3 which would be realized for each state-owned building if it
 4 were improved to comply with the energy conservation
 5 standards. Buildings heated by oil or interruptable gas
 6 shall be surveyed first. If the commissioner determines
 7 that a modification is economically feasible, in that
 8 savings in fuel procurement costs will exceed the cost of
 9 the modification amortized over the remaining useful life of
 10 the building he shall recommend implementation of the
 11 modification to the legislature. The commissioner shall
 12 submit to the legislature an interim progress report by
 13 January 1, 1977 and a final report by January 1, 1980.

14 Sec. 10, Minnesota Statutes 1974, Chapter 116H, is
 15 amended by adding a section to read:

16 [116H.123] (ENERGY CONSERVATION IN UNIVERSITY
 17 BUILDINGS.) Before January 1, 1980, the university of
 18 Minnesota, after consultation with the director, shall
 19 survey all buildings and associated facilities of the
 20 university of Minnesota which are heated by oil, coal,
 21 electric, or gas units to determine whether energy savings
 22 could be accomplished through insulation, climate control or
 23 illumination modifications. The survey shall determine,
 24 based upon a formula specified by the director, the
 25 estimated remaining useful life of each building, together
 26 with the present degree and estimated cost of compliance
 27 with the energy conservation standards promulgated pursuant
 28 to section 8 of this act. The survey shall include an
 29 estimate, based upon a formula specified by the director, of
 30 the annual potential savings in fuel procurement costs for
 31 existing heating and cooling systems, which savings would be
 32 realized for each university-owned building if it were

1 improved to comply with the energy conservation standards.
 2 Buildings heated by oil or interruptable gas shall be
 3 surveyed first. If the university determines, based upon a
 4 formula specified by the director, that a modification is
 5 economically feasible, in that estimated savings in fuel
 6 procurement costs will exceed the cost of the modification
 7 amortized over the remaining useful life of the building, it
 8 shall implement the modification in a manner designed to
 9 maximize the reduction in costs resulting from the
 10 modification. The university shall submit to the
 11 legislature an interim progress report before January 1,
 12 1977 and a final report before January 1, 1980, indicating
 13 the number and percentage of university-owned buildings
 14 surveyed, the estimated costs of implementing the
 15 economically feasible modifications and its preliminary
 16 findings, recommendations, and priorities for implementing
 17 economically feasible modifications based upon the
 18 continuing survey.

19 Sec. 11. Minnesota Statutes 1974, Chapter 116H, is
 20 amended by adding a section to read:

21 [116H.124] [LOCAL GOVERNMENTAL SURVEYS AND FUEL COST
 22 ESTIMATES.] Before January 1, 1980, the governing body of
 23 each city and county shall complete a survey of all existing
 24 city-owned or county-owned buildings within their respective
 25 jurisdictions which buildings are heated by oil, coal,
 26 electric, or gas units. Buildings heated by oil or
 27 interruptable gas shall be surveyed first. The survey shall
 28 determine, based upon a formula specified by the director,
 29 the estimated remaining useful life of each building,
 30 together with the present degree and estimated cost of
 31 compliance with the energy conservation standards
 32 promulgated pursuant to section 8 of this act. The

1 governing body of a city or county may contract with any
 2 municipal building official appointed pursuant to section
 3 16.861, or with the state building inspector to perform the
 4 energy conservation survey. Each governing body shall
 5 estimate, based upon a formula specified by the director,
 6 the annual potential savings in fuel procurement costs for
 7 existing heating and cooling systems, which savings would be
 8 realized for each building within its jurisdiction if that
 9 building were improved to comply with the energy
 10 conservation standards. Each governing body shall file the
 11 energy conservation survey and estimated fuel procurement
 12 data for the buildings within its jurisdiction with the
 13 director before December 31, 1978, for his review and
 14 comment.

15 Sec. 12. Minnesota Statutes 1974, Chapter 116H, is
 16 amended by adding a section to read:

17 [116H.125] [ENERGY CONSERVATION IN PUBLIC SCHOOLS;
 18 LEGISLATIVE REPORT.] Before February 1, 1977, the
 19 commissioner of education after consultation with the
 20 director shall analyze the reports required under section
 21 120.78, and report to the legislature on the energy
 22 efficiency of public school buildings including the
 23 recommendations of the commissioner of education and the
 24 director.

25 Sec. 13. Minnesota Statutes 1974, Chapter 116H, is
 26 amended by adding a section to read:

27 [116H.126] [PUBLIC SCHOOL SURVEYS.] Before January 1,
 28 1980, each school district shall complete a survey of all
 29 existing public school buildings which it owns or operates
 30 and which are heated by oil, gas, coal, or electric units in
 31 order to determine the estimated remaining useful life of
 32 each building, together with the present degree and

1 estimated cost of compliance with the energy conservation
 2 standards promulgated pursuant to section 8 of this act,
 3 Buildings heated by oil or interruptable gas shall be
 4 surveyed first. The results of the energy conservation
 5 survey shall be recorded on a form furnished by the
 6 director. A school district may contract with any municipal
 7 building official appointed pursuant to section 16.861 or
 8 with the state building inspector to perform the energy
 9 conservation survey. Each school district shall estimate,
 10 based upon a formula specified by the director, the annual
 11 savings in fuel procurement costs for existing heating and
 12 cooling systems, which savings would be realized for each
 13 public school building within the district if it were
 14 improved to comply with the energy conservation standards,

15 Each school district shall file the energy conservation
 16 survey and estimated fuel procurement data for each public
 17 school building within the district with the director before
 18 December 31, 1978, for his review and comment.

19 Sec. 14. Minnesota Statutes 1974, Chapter 116H, is
 20 amended by adding a section to read:

21 {116H.127} [SOLAR ENERGY SYSTEM STANDARDS OF
 22 PERFORMANCE.] The building code division of the department
 23 of administration in consultation with the agency shall
 24 promulgate rules by December 31, 1976, concerning quality
 25 and performance standards which are in reasonable
 26 conformance with the Interim Performance Criteria for Solar
 27 Heating and Combined Heating/Cooling Systems and Dwellings,
 28 National Bureau of Standards, January 1, 1975; and the
 29 Interim Performance Criteria for Commercial Solar Heating
 30 and Combined Heating/Cooling Systems and Facilities,
 31 National Aeronautics and Space Administration, February 28,
 32 1975, to insure that within the existing state of

1 development, solar energy systems as defined in section 2 of
 2 this act, which are sold or installed within this state, are
 3 effective and represent a high standard of quality of
 4 material, workmanship, design, and performance. The
 5 department of administration in consultation with the energy
 6 agency shall modify existing standards and promulgate new
 7 standards subsequent to December 31, 1976, as new technology
 8 and materials become available, or as standards are revised
 9 by the federal government.

10 Manufacturers or retailers of solar energy systems
 11 shall disclose to each bona fide potential purchaser of a
 12 system the extent to which the system meets or exceeds each
 13 quality standard.

14 Sec. 15. Minnesota Statutes 1974, Chapter 116H, is
 15 amended by adding a section to read:

16 {116H.128} [REVIEW OF ENERGY RESEARCH AND DEMONSTRATION
 17 PROJECTS.] The director shall continuously identify,
 18 monitor, and evaluate in terms of potential direct benefit
 19 to, and possible implementation in Minnesota, research
 20 studies and demonstration projects of alternative energy
 21 systems and methodologies currently performed in Minnesota
 22 and other states and countries including:

23 (a) Solar energy systems for heating and cooling;
 24 (b) Energy systems using wind, agricultural wastes,
 25 forestry products, peat, and other nonconventional energy
 26 resources;

27 (c) Devices and technologies increasing the energy
 28 efficiency of energy consuming appliances, equipment, and
 29 systems;

30 (d) Hydroelectric power; and

31 (e) Such other projects as the director deems
 32 appropriate and of direct benefit to Minnesota and other

1 states of the upper midwest,
2 Sec. 16. Persons who served as public members of the
3 legislative commission on energy, created pursuant to Laws
4 1974, Chapter 307, Section 4, shall be compensated the sum
5 of \$25 per day for each day spent in the performance of
6 their duties subsequent to April 1, 1974. They shall also
7 be reimbursed for expenses incurred during that period in
8 the same manner and amounts as provided for state employees
9 during that period.
10 Sec. 17. [APPROPRIATIONS.] Subdivision 1. There is
11 appropriated and added to the general contingent account for
12 fiscal year 1977 the sum of \$200,000. This appropriation
13 shall be available for making grants for demonstration
14 projects of alternative energy systems and methodology
15 particularly appropriate to Minnesota.
16 Subd. 2. The sum of \$195,400 is appropriated from the
17 general fund to the commissioner of administration for the
18 purposes of sections 8, 9 and 14. The sum of \$150,000 is
19 appropriated from the general fund to the director of the
20 Minnesota energy agency for purposes of sections 4, 7 and
21 15. The sum of \$50,000 is appropriated from the general
22 fund to the director of the Minnesota energy agency to
23 contract for infrared aerial photographs, at least 50
24 percent of which shall be conducted outside the metropolitan
25 area as defined in Minnesota Statutes, Section 473.121,
26 Subdivision 2. Notwithstanding Minnesota Statutes, Section
27 16A.28, the appropriations made by this subdivision shall
28 not lapse but shall be available for the biennium ending
29 June 30, 1977.
30 Sec. 18. [EFFECTIVE DATE.] This act takes effect on
31 the day following its final enactment.

1 A resolution

2 urging Congress and the President to establish the
3 Solar Energy Research Institute in Minnesota,

4 WHEREAS, a Solar Energy Research Institute located in
5 Minnesota would be easily accessible to all parts of the
6 country because of the state's central location and the
7 presence of a major international airport; and

8 WHEREAS, the persons the Solar Energy Research
9 Institute would seek to employ would be attracted to work in
10 Minnesota because of the high quality of life existing in
11 the state as measured by housing, schools, cultural
12 environment, and health facilities; and

13 WHEREAS, if the Solar Energy Research Institute were
14 located in Minnesota, interaction between the Institute's
15 personnel and other research and development institutions
16 would be enhanced because Minnesota is a research and
17 development center, and because transportation systems
18 serving the state provide easy transportation to other
19 research and development centers; and

20 WHEREAS, the University of Minnesota is one of the
21 nation's leading educational institutions capable of
22 providing a continuing education program for the personnel

1 of the Solar Energy Research Institute; and
2 WHEREAS, local industry is capable of constructing,
3 machining or fabricating whatever is required by the Solar
4 Energy Research Institute; and
5 WHEREAS, Minnesota's highly skilled and well educated
6 labor force is capable of supplying support personnel
7 capable of performing any of various tasks undertaken by the
8 Solar Energy Research Institute; and
9 WHEREAS, Minnesota contains a large number of high
10 quality public and private institutions of higher education
11 which would cooperate with the Solar Energy Research
12 Institute in establishing pilot educational programs; and
13 WHEREAS, Minnesota has a full range of seasons with
14 temperatures ranging from over 100 to less than minus 40
15 degrees Fahrenheit which would enable the Solar Energy
16 Research Institute to field test systems to be used in any
17 part of the country; and
18 WHEREAS, Minnesota contains areas which have among the
19 highest average winds in the country and would then
20 eliminate the need for one field station; and
21 WHEREAS, numerous sites are available in Minnesota at a
22 reasonable cost, and local zoning constraints and building
23 codes are not of a nature which would unnecessarily escalate
24 the cost of building or operating a facility; and
25 WHEREAS, the state of Minnesota and private industry in
26 the state are both willing and able to supply computer
27 support, purchasing and other administrative facilities and
28 building space while the permanent quarters are being phased
29 in; and
30 WHEREAS, the state contains ample facilities to host
31 the conferences to be held by the Solar Energy Research
32 Institute and their participants; now, therefore,

1 BE IT RESOLVED, that it would be in the best interests
2 of the country to establish the Solar Energy Research
3 Institute in Minnesota.

4 BE IT FURTHER RESOLVED, that the Secretary of State
5 transmit copies of this resolution to the President of the
6 United States, the Speaker of the United States House of
7 Representatives, the President of the United States Senate,
8 and the Minnesota Representatives and Senators in Congress.

LEGISLATIVE RESOLUTION 104.

Introduced by Anderson, 37th District; Kennedy, 21st District; Koch, 12th District; Stoney, 4th District; Murphy, 17th District; Warner, 25th District; George, 16th District; Dickinson, 31st District; Fowler, 27th District; Barnett, 26th District; Burrows, 30th District; Rumery, 42nd District; DeCamp, 40th District; Johnson, 15th District; Hasebroock, 18th District; Kremer, 34th District; Cope, 36th District; Fitzgerald, 14th District; Dworak, 22nd District; Rasmussen, 41st District; Clark, 47th District; R. Lewis, 38th District; Skarda, 7th District; Kine, 43rd District; Marsh, 29th District; Bereuter, 24th District; Nichol, 48th District; Syas, 13th District; Swigart, 8th District; Burbach, 19th District; Stull, 49th District; Luedtke, 28th District; Wiltse, 1st District; Simpson, 46th District; Moylan, 6th District; Keyes, 3rd District; Goodrich, 20th District; Kelly, 35th District; Marvel, 33rd District; Duis, 39th District; F. Lewis, 45th District; Maresh, 32nd District; Savage, 10th District; Mills, 44th District; Carsten, 2nd District; Schmit, 23rd District; Mahoney, 5th District.

WHEREAS, an energy crisis exists in the United States, and alternate sources of energy must be found; and

WHEREAS, recognizing the seriousness of the energy problem, the federal government did by law establish the Energy Research and Development Administration (ERDA) and mandated the establishment of a Solar Energy Research Institute (SERI); and

WHEREAS, ERDA has invited proposals for the site of SERI; and

WHEREAS, the State of Nebraska and the University of Nebraska have joined together to make application to ERDA for siting this most important research institute in our state. The application has the cooperation and endorsement of the economic, industrial, educational, financial and agricultural interests of the entire state. That Nebraska is unified in this effort.

NOW, THEREFORE, BE IT RESOLVED BY THE NEBRASKA LEGISLATURE:

1. That the Legislature pledges its full support and encouragement in the effort to secure the Solar Energy Research Institute (SERI) for Nebraska.

2. That Nebraska being a national leader in biomass research and in the conversion of grains to energy and the possessor of a substantial scientific reputation in the field of solar energy and considering that Nebraska's number of sunshine days and velocity of wind make this state the logical site for SERI.

3. That in consideration of these and the many varied assets and attributes of this state contained in the application, the Legislature of the State of Nebraska urges the Energy Research and Development Administration (ERDA) to site the Solar Energy Research Institute (SERI) in Nebraska.

4. That a copy of this resolution be transmitted to the appropriate authority in the Federal Energy Administration in Washington, D.C.

[OFFICIAL COPY REPRINT]

ASSEMBLY CONCURRENT RESOLUTION No. 167

STATE OF NEW JERSEY

INTRODUCED MAY 3, 1976

By Assemblymen DOYLE and NEWMAN

Referred to Committee on Energy and Natural Resources

A CONCURRENT RESOLUTION memorializing the President, the Congress of the United States, the Administrator of the Energy Research and Development Administration, and the Chairman of the Solar Energy Coordination and Management Project to locate the proposed Solar Energy Research Institute, which shall be the central headquarters to coordinate and direct all solar energy research conducted by or on behalf of the Federal Government, within the ***[borders of Ocean County,]*** **State of** New Jersey.

1 WHEREAS, Our Nation is experiencing a severe and chronic shortage
2 of readily available sources of energy which are environmentally
3 and economically acceptable; and,

4 WHEREAS, Solar energy, by reason of its great promise as an
5 inexhaustible and environmentally suitable source of a signifi-
6 cant portion of our future energy needs, merits a unified national
7 research effort to develop the technologies required to realize
8 its great potential; and,

9 WHEREAS, The President and the Congress of the United States, in
10 recognition of the energy crisis facing the Nation and the
11 capacity of solar energy to help meet this crisis in the future,
12 have enacted the "Solar Energy Research, Development, and
13 Demonstration Act of 1974," which provides for the establish-
14 ment of a Solar Energy Research Institute to serve as a head-
15 quarters to coordinate and direct solar energy research efforts
16 nationwide; and,

17 WHEREAS, The State of New Jersey, by reason of its being the most
18 urbanized, the most densely populated, and one of the most
19 industrialized states in the Nation, notwithstanding that large

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.

20 portions of the State remain as woodlands, farms, and
 21 undeveloped open spaces, can be seen as a microcosm of the
 22 Nation's variety of energy problems*[*;]* and, *as such, repre-*
 22A *sents an ideal location to conduct solar energy research; and,**

23 ~~WHEREAS, The variable climate of New Jersey is representative of~~
 24 ~~the meteorological conditions experienced by most of the popu-~~
 25 ~~lation of the Nation, and thus makes the State an ideal testing~~
 26 ~~ground for the feasibility and practicability of various solar~~
 27 ~~energy technologies in meeting fluctuating energy demands; and,~~

28 ~~WHEREAS, The State of New Jersey is a leading research and~~
 29 ~~development center, with over 70,000 scientists, engineers, and~~
 30 ~~technicians whose research and development efforts involve the~~
 31 ~~expenditure of over \$3 billion per year, 10% of the national~~
 32 ~~total for such projects; and,~~

33 ~~WHEREAS, The [*County of Ocean of the]* State of New Jersey~~
 34 ~~would be ideally suited as a site for the prospective Solar Energy~~
 35 ~~Research Institute by virtue of its central geographic location~~
 36 ~~on the East Coast, its proximity to the New York, Philadelphia,~~
 37 ~~and Washington, D.C., metropolitan areas, and its readily avail-~~
 38 ~~able land areas*[, most notably the northern portions of Lake-~~
 39 ~~hurst Naval Air Station, as well as 67 acres of land owned by~~
 40 ~~Rutgers University and over 8,600 acres of land owned by the~~
 41 ~~State of New Jersey, all adjacent to Lakehurst Naval Air Station,~~
 42 ~~which could be incorporated into the Institute complex should~~
 43 ~~future expansion be desirable]*; and,~~

44 ~~*[WHEREAS, The proximity of the Lakehurst Naval Air Station to~~
 45 ~~Princeton University, Rutgers University, The Stevens Institute,~~
 46 ~~the New Jersey Institute of Technology and other institutions of~~
 47 ~~higher learning and research would enable the Solar Energy~~
 48 ~~Research Institute to readily draw upon the wealth of expertise~~
 49 ~~and advanced facilities situated at such centers; and,]*~~

49A ~~*WHEREAS, The academic community in New Jersey, including~~
 49B ~~Princeton University, Stevens Institute, New Jersey Institute,~~
 49C ~~Seton Hall University, Rutgers University, are increasingly~~
 49D ~~involved in energy related research; now, therefore,*~~

50 ~~*[WHEREAS, The ready access of the Lakehurst Naval Air Station to~~
 51 ~~two international airports, and a major interstate highway, and~~
 52 ~~the airport at the Air Station itself would greatly facilitate the~~
 53 ~~commutation of personnel as well as the transportation of~~
 54 ~~incoming construction materials; now, therefore,]*~~

1 BE IT RESOLVED *by the General Assembly of the State of New*
2 *Jersey (the Senate concurring):*

1 1. That the Legislature of the State of New Jersey goes on
2 record as urging the President, the Congress of the United States,
3 the Administrator of the Energy Research and Development
4 Administration, and the Chairman of the Solar Energy Coordina-
5 tion and Management Project to locate the proposed Solar Energy
6 Research Institute within the "borders of Ocean county," State
7 of New Jersey, and pledging its full cooperation in any efforts to
8 so locate the Solar Energy Research Institute and ensure its success.

1 2. That a copy of this resolution signed by the President of the
2 Senate and the Speaker of the General Assembly, and attested to
3 by the Secretary of the Senate and the Clerk of the General
4 Assembly, shall be forwarded to the President of the United States,
5 both United States Senators from the State of New Jersey, each
6 representative of the House of Representatives from the State of
7 New Jersey, the Administrator of the Energy Research and
8 Development Administration, and the Chairman of the Solar
9 Energy Coordination and Management Project.

CHAPTER - 12
AN ACT

1
2 MAKING AN APPROPRIATION TO THE ENERGY RESOURCES BOARD FOR CERTAIN EXPENSES
3 RELATED TO PROPOSING THE LOCATION OF THE SOLAR ENERGY RESEARCH
4 INSTITUTE IN NEW MEXICO; DECLARING AN EMERGENCY.

5
6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

7 Section 1. APPROPRIATION.--The sum of two hundred fifty thousand
8 dollars (\$250,000) is appropriated to the energy resources board from
9 the oil conservation fund to be expended in the sixty-fourth and
10 sixty-fifth fiscal years for the expenses of preparing, submitting
11 and monitoring, after submittal, a proposal to the energy research and
12 development administration in support of the location of the solar
13 energy research institute in New Mexico. This appropriation may be
14 expended by the energy resources board in the manner deemed by it to
15 be most appropriate in submitting a successful proposal. Any unexpended
16 or unencumbered balance of this appropriation shall revert at
17 the end of the sixty-fifth fiscal year to the oil conservation fund.

18 Section 2. EMERGENCY.--It is necessary for the public peace,
19 health and safety that this act take effect immediately. _____

20
21 HOUSE BILL 8
22 Approved March 4, 1976
23
24
25

ARTICLE 1—SHORT TITLE; DEFINITIONS

Sec.

1-101. Short title.

1-103. Definitions.

§ 1-101. Short title

This chapter shall be known and may be cited as the "energy law."

L.1976, c. 819, § 2.

Historical Note

Provisions Supplementary to L. 1976, c. 819. Sections 1, 6 to 8 of L. 1976, c. 819, (as amended by L.1976, c. 820, §§ 2, 15 to 17, and L.1976, c. 821, § 1), provided:

"Section 1. The legislature hereby finds and declares that the people of New York state have suffered shortages of all forms of energy; that such shortages are likely to recur; that New York is overly dependent on sources of energy from outside the state; and such shortages and high costs have been inimical to health, safety, and welfare of the people.

"The state must therefore take steps to meet these shortages and high costs by cutting energy waste and reducing energy consumption; by insuring fair and efficient distribution of supplies in emergencies and by promoting the use of indigenous renewable sources of energy wherever possible. It must do so by minimizing the risk to human health and the environment; and by maximizing the benefits to New York labor, business and industry. Toward these ends, research and development efforts of the New York state energy research and development authority and the regulatory functions of the public service commission must be coordinated with conservation and energy management programs. All of these must be accompanied by expanded public education and, when necessary, mandatory restrictions on uses of energy.

"The legislature finds that existing state programs relating to energy de-

velopment, consumption, conservation, research and education are dispersed among various state agencies, with no one office bearing the responsibility of overall management and coordination of the state's energy program. It is, therefore, the intention of the legislature to create a state energy office to work with the energy research and development authority, the public service commission, and other state agencies to assure development and coordination of an overall state energy program.

"§ 6. Severability. If any provision of this act, or any order, rule or regulation issued pursuant thereto, or the application of such to any circumstances is held invalid for any reason whatsoever, the remainder of this act, all orders, rules or regulations issued pursuant thereto, and the application of such to other circumstances shall be affected thereby.

"§ 7. The sum of seven hundred thousand dollars (\$700,000), or so much thereof as may be necessary to carry out the provisions of this act is hereby appropriated to the state energy office in the executive department out of any monies in the state treasury in the general fund not otherwise appropriated. Such monies shall be payable from the state treasury on the audit and warrant of the state comptroller on vouchers certified and approved by the commissioner of the state energy office.

"§ 8. This act shall take effect thirty days after it shall have become a law."

§ 1-103. Definitions

As used in this chapter, unless a different meaning clearly appears from the context or unless a different meaning is stated in a definition applicable to only a portion of this chapter:

1. "Agency" shall mean any state department, agency, board, public benefit corporation, public authority or commission.

2. "Office" shall mean the state energy office established pursuant to article five of this chapter.

3. "Coal" shall include bituminous coal, anthracite coal, and lignite.

4. "Commissioner" shall mean the commissioner of the state energy office appointed by the governor pursuant to article three of this chapter.¹

5. "Energy" means work or heat that is, or may be, produced from any fuel or source whatsoever.

6. "Energy resources" shall mean any force or material which yields or has the potential to yield energy, including but not limited to electrical, fossil, geothermal, wind, hydro, solid waste, tidal, wood, solar and nuclear sources.

7. "Fossil fuel" shall mean coal, petroleum products and fuel gases.

8. "Fuel gases" shall include but not be limited to methane, natural gas, liquefied natural gas, and manufactured fuel gases.

9. "Municipality" or "municipal corporation" shall mean a city, county, town, village, school district, special purpose district, or an agency thereof.

10. "Person" shall mean any individual, trustee, agency, partnership, association, corporation, company, municipality, political subdivision or other legal entity.

11. "Petroleum products" shall include all products refined or rerefined from synthetic or crude oil or oil extracted from other sources, including natural gas liquids.

12. "Renewable energy resources" shall include sources which are capable of being continuously restored by natural or other means or are so large as to be useable for centuries without significant depletion and include but are not limited to solar, wind, plant and forest products, wastes, tidal, hydro, geothermal, deuterium, and hydrogen.

L.1976, c. 819, § 2; amended L.1976, c. 820, § 3.

¹ So in original. Probably should read "article five".

Historical Note

1976. Amendment. L.1976, c. 820, "Appliances", and redesignated former subds. 3 to 13 as subds. 2 to 12.

ARTICLE 3—STATE ENERGY POLICY

Sec.

3-101. State energy policy.

3-103. Conformance with state energy policy.

3-105. Action by state agencies and municipalities.

§ 3-101. State energy policy

It shall be the energy policy of the state:

1. to obtain and maintain an adequate and continuous supply of safe, dependable and economical energy for the people of the state and to accelerate development and use within the state of renewable energy sources, all in order to promote the state's economic growth, to create employment within the state, to protect its environmental values, to husband its resources for future generations, and to promote the health and welfare of its people;

2. to encourage conservation of energy in the construction and operation of new commercial, industrial, and residential buildings, and in the rehabilitation of existing structures, through heating, cooling, ventilation, lighting, insulation and design techniques and the use of energy audits and life-cycle costing analysis;

3. to encourage the use of performance standards in all energy-using appliances, and in industrial and commercial applications of energy-using apparatus and processes;

4. to encourage transportation modes and equipment which conserve the use of energy;

5. to encourage the prudent development and wise use of limited energy resources; and

6. to encourage a new ethic among its citizens to conserve rather than waste precious fuels; and to foster public and private initiative to achieve these ends at the state and local levels.

L.1976, c. 819, § 2; amended L.1976, c. 820, § 3-A.

Historical Note

1976 Amendment. L.1976, c. 820, § "to encourage"; and deleted from 3-A, deleted from subd. 2 "and require" following "to require where appropriate" following "encourage".

Library References

Constitutional Law ☞81.

Health and Environment ☞25.5.

War and National Defense ☞35.

C.J.S. Constitutional Law § 174 et seq.

C.J.S. War and National Defense § 43.

§ 3-103. Conformance with state energy policy

Every agency of the state shall conduct its affairs so as to conform to the state energy policy expressed in this chapter.

L.1976, c. 819, § 2.

Library References

States ☞67.

C.J.S. States §§ 58, 66.

§ 3-105. Action by state agencies and municipalities

1. Within one hundred twenty days of the effective date of this chapter, all state agencies, shall review their present statutory authority, administrative rules and regulations, and practices and procedures to determine whether such are consistent with the energy policy of the state; shall effect or recommend such changes as may be necessary to comply with the intent, purposes, programs and procedures established pursuant to this chapter; and shall submit a written report of its findings and actions pursuant to this subdivision to the office.

2. Within one year of the effective date of this chapter, all municipalities shall review their charters, administrative rules and regulations, and practices and procedures to determine whether such are consistent with the energy policy of the state and shall effect or recommend such changes as may be necessary to comply with the intent, purposes, programs and procedures set forth in or established pursuant to this chapter.

L.1976, c. 819, § 2.

Library References

Municipal Corporations ☞595.
States ☞67.

O.J.S. Municipal Corporations §§ 132, 222 et seq.
C.J.S. States §§ 58, 66.

**ARTICLE 5—STATE ENERGY OFFICE; ORGANIZATION
AND POWERS, FUNCTIONS AND DUTIES**

Sec.

- 5-101. State energy office; creation.
- 5-103. Organization of office.
- 5-105. General functions, and powers.
- 5-107. Specific functions, powers and duties.
- 5-109. Action by the commissioner.
- 5-111. State energy conservation plan.
- 5-113. Coordination with environmental conservation law.
- 5-115. Energy advisory council.
- 5-117. Powers during energy or fuel emergency.
- 5-119. Violations; sanctions.
- 5-121. Reserved power of the governor.
- 5-123. Review and recommendations on continuation.

§ 5-101. State energy office; creation

1. There is hereby established in the executive department a state energy office; with the powers, duties and purposes herein set forth.

2. The governor shall appoint a commissioner by and with the consent of the senate, who shall be the chief executive officer of the office, and who shall hold office at the pleasure of the governor. The commissioner shall receive a salary to be fixed by the governor within the amount appropriated therefor. He shall also receive his reasonable expenses in connection with the performance of his duties, within the amount available therefor by appropriation.

3. The commissioner may appoint such other officers, employees, agents and consultants as may be deemed necessary, prescribe their duties and fix their compensation within the amounts made available therefor by appropriation.

4. The principal office of the state energy office shall be in the county of Albany.

5. Consistent with the provisions of this chapter, the office shall have jurisdiction over all persons, and the officers, directors, and employees thereof, engaged in the exploration, manufacture, processing, sale, distribution, transportation, refining, generation, and supply of energy and energy resources in this state.

L.1976, c. 819, § 2; amended L.1976, c. 820, § 4.

Historical Note

1976 Amendment. L.1976, c. 820, § 4, deleted from subd. 2 the last sentence requiring the commissioner not to have been an employee of any energy related firm within two years of his appointment as commissioner.

Library References

States ⇨44.

C.J.S. States §§ 52, 55, 56.

§ 5-103. Organization of office

The commissioner may, from time to time, create, abolish, transfer and consolidate divisions, bureaus, boards, commissions and other units within the office as he may determine necessary for the efficient operation of the office, subject to the approval of the director of the budget.

L.1976, c. 819, § 2.

Library References

States ⇨68.

C.J.S. States § 60 et seq.

§ 5-105. General functions and powers

The office, acting through the commissioner, shall have the following functions and powers to carry out the purposes of this chapter:

1. To advise and assist the governor and the legislature in the development and implementation of state policies relating to energy and energy resources.

2. To promulgate, issue, amend, rescind, revoke or waive orders, and, after public hearings, promulgate rules and regulations.

3. To classify persons and matters within the jurisdiction of the office and prescribe different requirements for different classes of persons or matters.

4. To require persons subject to the jurisdiction of the office to maintain or file general, special and annual reports, contracts, statements, including but not limited to statements of ownership, accounting, auditing and operations, engineering reports, and other data as the commissioner deems appropriate; provided, however, wherever practicable, forms required to be submitted to federal or state agencies shall be sufficient to meet the requirements of this subdivision.

5. To designate employees who shall be empowered to administer oaths in all parts of the state to persons summoned to testify in any inquiry, investigation, hearing or proceeding.

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6. To designate employees of the office who shall be empowered to enter in or upon and to inspect the property, equipment, buildings, plants, factories and offices, in relation to energy or energy resources, of any person subject to the jurisdiction of the office.

7. To designate employees who shall be empowered to examine all books, contracts, records, documents and papers, in relation to energy or energy resources, of any person subject to the jurisdiction of the office.

8. To designate employees who shall be empowered to issue subpoenas to compel the attendance of witnesses and subpoenas duces tecum to compel from any person the production of books, contracts, records, documents or papers relating to energy or energy resources.

9. To require and receive from any agency of the state or any political subdivision thereof assistance and data.

10. To enter into cooperative arrangements with agencies of the state or political subdivisions thereof, each of which is hereby authorized to enter into such cooperative arrangements.

11. To act alone, or in conjunction with another state agency, as agent for, or enter into contracts and otherwise cooperate with, the federal government, and to receive grants or advances of funds from the federal government for projects within the jurisdiction of the office.

12. To assist the attorney general in protecting consumers from abuses in the distribution, sale, handling or transport of energy, energy resources, and energy related devices, installations, and technologies, including the charging of any illegal price or the violation of any state or federal law or regulation.

13. To enter into contracts with any person for the conduct of research or the rendering of other services, including the hiring of experts and consultants.

14. To apply for and accept grants and contributions.

15. To hold public hearings when deemed appropriate.

16. To conduct economic, sociological and other studies relating to all aspects of energy and energy resources use, supply, demand and distribution.

17. To cooperate with and supplement the work of the New York state energy research and development authority, and undertake studies in energy and energy related areas.

18. To appoint advisory committees, boards, and task forces whose members shall receive no compensation as members but

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shall be allowed necessary and actual expenses incurred in performing duties under this chapter.

19. To exercise all other powers and functions necessary or appropriate to carry out the duties and purposes set forth in this chapter.

L.1976, c. 819, § 2; amended L.1976, c. 820, § 5.

Historical Note

1976 Amendment. L.1976, c. 820, § 5, added to subd. 4 the proviso; added at the end of subd. 8 "relating to energy or energy resources"; and deleted from the end of subd. 12 "and investigate upon complaint or upon its own motion any such alleged abuse or violation".

Library References

States \approx 67.

C.J.S. States §§ 58, 66.

§ 5-107. Specific functions, powers and duties

The office may:

1. Undertake studies, surveys or analyses to determine present and projected energy and energy resource use, supply and demand within the state.

2. Act as a central repository and clearinghouse for information on all energy and energy resource related matters within the jurisdiction of the office.

3. Conduct public educational programs promoting conservation of energy and energy resources within the state.

4. Promulgate energy use standards after consultation with the commissioner of the office of general services, for the purchase, lease, use or maintenance of state and equipment buildings.

5. Maintain liaison with and represent the state before appropriate agencies of the federal government, the Dominion of Canada, regional commissions, other state governments and municipalities in all energy and energy resources matters.

6. Advise all agencies and municipalities of the state in energy and energy resource related matters.

7. Make an annual report to the governor and legislature concerning its work during the preceding year, and its program for the coming year, and make such further interim reports or recommendations as it shall deem advisable or as shall be required by the governor.

8. Coordinate the state's administration of any energy or energy resource programs of the federal government, other than

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research, development and demonstration programs conducted by the New York state energy research and development authority, including but not limited to those concerned with conservation, allocation, management or education.

9. Prepare an integrated plan specifying actions to be taken in the event of the declaration by the governor of an energy or fuel supply emergency pursuant to section 5-117 of this article.

10. Prepare and distribute at the earliest feasible date an index of functions and responsibilities of state agencies relating to energy and energy resources in sufficient detail to guide the public and serve as a basis for such further steps as may be deemed necessary to assure full coordination without duplication of the energy-related activities of such agencies.

11. Cooperate with the public service commission, the New York energy research and development authority, the power authority of the state of New York and all other appropriate state agencies in effectuating the purposes of this act.

L.1976, c. 819, § 2; amended L.1976, c. 820, §§ 6, 7.

Historical Note

1976 Amendment. L.1976, c. 820, §§ 6, 7, substituted in the opening paragraph "may" for "shall"; deleted from subd. 7 former second sentence relating to time limitation on submission of annual report and requirement of statement of specific actions taken; deleted former subds. 10 and 11 which related to requirement of energy consuming products to carry energy efficiency or use information, and eval-

uation of state-U. S. Nuclear Regulating Commission agreement relating to state responsibility for certain regulatory matters and report of its recommendations to state; renumbered former subds. 12 and 13 as subds. 10 and 11; and deleted from subd. 10 "but not later than two hundred seventy days after the effective date of this act" following "earliest feasible date".

Library References

States ⇨6, 67, 73.

C.J.S. States §§ 10, 58, 60 et seq.

§ 5-109. Action by the commissioner

Upon completion of the index required to be prepared pursuant to subdivision twelve of section 5-107 of this article, and no later than one hundred twenty days after such completion, the commissioner shall recommend to the governor and the legislature such action as may be necessary to preclude any identified or potential duplication of energy and energy resource related functions and responsibilities of state agencies.

L.1976, c. 819, § 2; amended L.1976, c. 820, § 8.

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Historical Note

1976 Amendment. L.1976, c. 820, § 8, substituted in the heading "commissioner" for "governor", inserted "and the legislature" following "recommend to the governor"; and deleted former second sentence relating to report by governor to legislature of actions taken and recommendations as needed.

Library References

States ⇨41.

C.J.S. States §§ 60, 74.

§ 5-111. State energy conservation plan

The office shall formulate and from time to time revise a state energy conservation plan to be submitted pursuant to the federal Energy Policy and Conservation Act of 1975¹ or any acts amendatory or supplemental thereto.

L.1976, c. 819, § 2.

¹ 42 U.S.C.A. § 6201 et seq.

Library References

States ⇨67.

War and National Defense ⇨39.

C.J.S. States §§ 58, 66.

C.J.S. War and National Defense § 47.

§ 5-113. Coordination with environmental conservation law

The office may review and comment in writing upon the statements of effects on the use and conservation of energy resources made pursuant to section 8-0109 of the environmental conservation law. Such written comment shall be made public. L.1976, c. 819, § 2; amended L.1976, c. 820, § 9.

Historical Note

1976 Amendment. L.1976, c. 820, § 9, deleted designation of subd. 1 at the beginning; and deleted former subd. 2 relating to actions by commissioner of environmental conservation to comply with subd. 2(h) of § 8-0109 and subds. 1 and 2 of § 8-0113 of the environmental conservation law.

Library References

Health and Environment ⇨25.5.

§ 5-115. Energy advisory council

There is hereby created within the state energy office an energy advisory council, consisting of twelve members, five of whom shall be appointed by the governor from among persons who are not holders of public office, elective or appointive. Of

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the five appointed members, no more than three shall belong to the same political party. The other members shall be the commissioners of the department of commerce and the department of environmental conservation, the chairmen of the consumer protection board, the energy research and development authority, the public service commission, the power authority of the state of New York and the commissioner of the state energy office. The commissioner of the office shall serve as chairman of the council and the governor shall designate a vice-chairman from the remaining members of the council. The members of the council shall receive no compensation but shall be entitled to reimbursement for necessary expenses incurred in connection with the performance of their duties. The council shall assist the commissioner in carrying out the purpose of this act, including the coordination, development and implementation of a comprehensive state energy policy.

L.1976, c. 819, § 2; amended L.1976, c. 820, § 10.

Historical Note

1976 Amendment. L.1976, c. 820, § 10, substituted new section for former section which provided for preparation of state energy efficiency construction code.

Library References

States ⇐44.

C.J.S. States §§ 52, 55, 56.

§ 5-117. Powers during energy or fuel emergency

1. Upon a finding and declaration by the governor that there exists or impends an energy or fuel supply emergency, which declaration shall state the governor's reasons for such finding, the commissioner shall be authorized, in addition to the powers and duties set forth elsewhere in this chapter, to the extent not in conflict with federal law, notwithstanding any state or local law or contractual agreement, to:

(a) Allocate available supplies of energy or energy resources among areas, users, persons or categories of persons or users. In allocating available supplies, the commissioner shall give priority to energy and energy resources use essential to public health and safety, and shall thereafter attempt to allocate the remaining supply equitably and in a manner designed to avoid undue hardship.

(b) Impose restrictions on any wasteful, inefficient, or non-essential use of energy or energy resources, and upon the promotion of such uses.

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(c) Waive state and local environmental protection requirements to the extent necessary for emergency use of energy resources not meeting such requirements for a period of not more than thirty days; provided, however, that an additional thirty days may be granted for good cause. Only one such waiver and one extension thereof may be granted any facility within any six month period.

2. The powers granted to the commissioner pursuant to subdivision one of this section shall be in addition to and not in limitation of any emergency powers now vested in the governor which the governor may choose to delegate to the commissioner.

3. In exercising the powers granted pursuant to subdivisions one and two of this section, the commissioner may supersede any emergency power heretofore vested in any other state agency.

4. No declaration of an energy or fuel supply emergency shall be deemed effective for a period in excess of six months, and no power exercised pursuant to this section shall be effective for a period in excess of six months, unless each house of the legislature shall consent to an extension for a specific period of time.

L.1976, c. 819, § 2.

Library References

Health and Environment ⇐20.
War and National Defense ⇐39.

C.J.S. Health §§ 2, 9 et seq.
C.J.S. War and National Defense § 47.

§ 5-119. Violations; sanctions

1. Every person shall obey, observe and comply with the provisions of this article and with every order, rule or regulation issued or made pursuant to this article, so long as the same shall be and remain in force. Any person who violates any provision of this article or who fails, omits or neglects to obey, observe or comply with any order, rule or regulation issued pursuant to this article, shall forfeit to the people of the state of New York a civil penalty in a sum to be set by the commissioner not to exceed one thousand dollars for each and every offense or three times the profit received from each violation, whichever is greater. Every violation pursuant thereto, shall be a separate and distinct offense, and, in the case of a continuing violation, every day's continuance thereof shall be a separate and distinct offense.

2. An action to recover a civil penalty under this section may be brought at any time within one year after the cause of action accrues.

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tion accrued in any court of competent jurisdiction in this state, in the name of the people of the state of New York. Any such action may be referred by the commissioner to the attorney general, who shall prosecute all such actions. In any such action all penalties incurred up to the time of commencing the same may be sued for and recovered therein, and the commencement of an action shall not be a waiver of the right to recover any other penalty. All moneys recovered in any such action, together with the costs thereof, shall be paid into the state treasury to the credit of the general fund.

3. Whenever it shall appear to the commissioner that any person has violated or is violating this article or any order, rule or regulation issued pursuant thereto, he may request the attorney general to bring an action in the supreme court to enjoin such violation and it shall be the duty of the attorney general to seek such injunction. Upon a proper showing, a temporary restraining order, a preliminary injunction or a permanent injunction shall be granted.

L.1976, c. 819, § 2; amended L.1976, c. 820, § 11.

Historical Note

1976 Amendment. L.1976, c. 820, § 11, amended subd. 1 by substituting "article" for "chapter" throughout, and by deleting "subject to this chapter" following "Every person" in the first sentence; deleted former subd. 2 relating to additional penalty; re-

numbered former subd. 3 as subd. 2; deleted former subd. 4 which related to referring all knowing violations to attorney general for prosecution; and renumbered former subd. 5 as subd. 3.

Library References

Health and Environment ⇨37. C.J.S. Health § 29 et seq.

§ 5-121. Reserved power of the governor

Nothing contained in this chapter shall be construed to limit, curtail, abolish or terminate any function or power of the governor which he had prior to the effective date hereof.

L.1976, c. 819, § 2; amended L.1976, c. 820, § 11.

Historical Note

1976 Amendment. L.1976, c. 820, § 11, deleted from the beginning of the section "Except as specifically stated."

Library References

States ⇨41. C.J.S. States §§ 60, 74.

ENERGY LAW

§ 5-123

§ 5-123. Review and recommendations on continuation

1. In the year nineteen hundred eighty and every four years thereafter, the department of audit and control shall conduct an audit of the energy office. Within ninety days of the completion of such audit a commission, whose maximum duration shall be six months, shall be created to determine whether the office shall continue in operation, or whether it shall be changed in some manner, or whether it shall be dissolved, and the commission shall report its findings to the governor and the legislature with recommendations of changes necessary, and if dissolution is recommended it shall recommend what functions shall be eliminated and what functions shall be continued by another agency.

2. The commission shall be composed of five members, with the chairman and one other member appointed by the governor, one member appointed by the temporary president of the senate, one member appointed by the speaker of the assembly, and one member appointed by the comptroller. Staff for the commission shall be provided by the department of audit and control from funds appropriated for this purpose.

L.1976, c. 819, § 2; amended L.1976, c. 820, § 11.

Historical Note

1976 Amendment. L.1976, c. 820, § 1 "governor and the" following "report its findings to the".

Library References

States ⇨10.

C.J.S. States § 23.

ARTICLE 7—TRANSFER OF FUNCTIONS

Sec.

7-101. Transfer of functions of the atomic energy council.

7-103. Transitional provisions.

Library References

Health and Environment ☞25.5. C.J.S. States §§ 58, 66.
States ☞67.

§ 7-101. Transfer of functions of the atomic energy council

All the functions and powers possessed by and all the obligations and duties of the atomic energy council, created and established in the commerce law pursuant to and by chapter nine hundred forty-seven of the laws of nineteen hundred sixty-eight, which council is hereby abolished, are hereby transferred and assigned to, assumed by and devolved upon the state energy office.

Formerly § 7-103, L.1976, c. 819, § 2; renumbered § 7-101, L.1976, c. 820, § 12.

Historical Note

1976 Amendment. Former § 7-101, enacted by L.1976, c. 819, § 2, and which related to transfer of functions of the emergency fuel office was repealed by L.1976, c. 820, § 12; and said repealing law renumbered former § 7-103, which was also enacted by L. 1976, c. 819, § 2, as this section.

§ 7-103. Transitional provisions

1. Upon the transfer of functions pursuant to this article within the state fiscal year within which this act shall take effect, provision shall be made for the transfer to the state energy office of employees of all directly affected state agencies whom the commissioner determines to be required by the office, subject to the approval of the director of budget. Employees so transferred shall be transferred without further examination or qualification and shall retain their respective civil service classifications and status until or unless reclassified or reallocated. For the purpose of determining the employees holding permanent appointments in competitive class positions to be transferred, such employees shall be selected in each class of positions in the order of their original appointment, with due regard to the right of preference in retention of disabled and non-disabled veterans. Any such employee who, at the time of such transfer, has a temporary or provisional appointment shall be transferred subject to the same right of removal, examination

or termination as though such transfer had not been made. Employees holding permanent appointments in competitive class positions who are not transferred pursuant to this section shall have their names entered upon an appropriate preferred list for reinstatement pursuant to the civil service law.

2. The directors and officers of state agencies, the functions, powers, duties and obligations of which are transferred by this chapter shall deliver to the state energy office all books, papers, records and property of such agencies, and of the directors and officers thereof pertaining to the functions herein transferred.

3. For the purpose of succession to all functions, powers, duties and obligations of state agencies, or directors and officers thereof, transferred and assigned to, devolved upon and assumed by the state energy office, such office shall be deemed and held to constitute the continuation of such agencies and not a different agency or authority.

4. Any business or other matter undertaken or commenced by any agency or the officers and directors thereof, pertaining to or connected with the functions, powers, obligations and duties hereby transferred and assigned, and pending on the effective date of this chapter, may be conducted and completed by the state energy office in the same manner and under the same terms and conditions and with the same effect as if conducted and completed by such agencies, directors and officers thereof.

5. All rules, regulations, acts, determinations and decisions of all agencies and directors and officers thereof, pertaining to the functions transferred and assigned by this chapter to the state energy office in force at the time of such transfer, assignment, assumption or devolution shall continue in force and effect as rules, regulations, acts, determinations and decisions of the state energy office until duly modified or repealed.

6. Whenever any agencies or directors and officers thereof, the functions, powers, obligations and duties of which are transferred by this chapter to the state energy office are referred to or designated in any law, contract or document pertaining to the functions, powers, obligations and duties hereby transferred and assigned, such reference or designation shall be deemed to refer to the state energy office.

7. No existing right or remedy of any character shall be lost, impaired or affected by reason of this chapter.

8. No action or proceeding pending at the time when this chapter shall take effect, brought by or against any agencies or directors and officers thereof, the functions, powers, obligations and duties of which are transferred by this chapter to the state

§ 7-103

ENERGY LAW

energy office shall be affected by any provisions of this chapter, but the same may be prosecuted or defended in the name of the state energy office. In all such actions and proceedings, the state energy office, upon application to the court, shall be substituted as a party.

9. All appropriations or reappropriations heretofore made to any agency for the functions and purposes herein transferred to the state energy office by this chapter, segregated pursuant to law, or for employees transferred pursuant to the chapter, to the extent of remaining unexpended or unencumbered balances thereof, whether allocated or unallocated and whether obligated or unobligated, are hereby transferred to and made available for use and expenditure by the state energy office subject to the approval of the director of the budget for the same purposes for which originally appropriated or reappropriated and shall be payable on vouchers certified or approved by the commissioner on audit and warrant of the comptroller. Payments for liabilities for expenses of personal service, maintenance and operation heretofore incurred by such agencies, in connection with the functions herein transferred, shall also be made on vouchers or certificates approved by the commissioner on audit and warrant of the comptroller.

Formerly § 7-105, L.1976, c. 819, § 2; renumbered § 7-103 and amended L.1976, c. 820, § 12.

Historical Note

1976 Amendment. L.1976, c. 820, § 12, renumbered former § 7-105 as this section; amended first sentence of subd. 1 by inserting "directly" following "employees of all", and by deleting "including those employees on loan from state agencies to the

emergency fuel office" following "affected state agencies"; and substituted in the first sentence of subd. 9 "reappropriations" for "reappointments" following "All appropriations or".

IN AMENDMENT OF RESOLUTION NO. 59
PASSED BY THE GENERAL ASSEMBLY AT ITS
JANUARY SESSION, A. D. 1975, AND
APPROVED MAY 19, 1975, ENTITLED
"RESOLUTION CREATING A SPECIAL LEG-
ISLATIVE COMMISSION TO BE CALLED THE
STATE ENERGY TECHNOLOGY STUDY
COMMISSION TO STUDY SOLAR ENERGY
AND/OR WIND ENERGY AS AVAILABLE
ENERGY SOURCES AND RELATED TECHNOLOGY".

RESOLVED, That the special legislative commission created by
resolution No. 59 passed by the general assembly at its January session,
A. D. 1975, and approved May 19, 1975, entitled "Resolution creating a
special legislative commission to be called the state energy technology
study commission to study solar energy and/or wind energy as available
energy sources and related technology", is hereby authorized to continue
its study and make a report to the general assembly on or before March 16,
1977; and be it further

RESOLVED, That the time for reporting authorized by resolution
No. 59 passed by the general assembly at its January session, A. D. 1975
be and the same is hereby rescinded.

NO. 226. AN ACT TO ADD 24 V.S.A. CHAPTER 33, SUBCHAPTER 12 RELATING TO AN ENERGY COORDINATOR AND TO AMEND 32 V.S.A. § 9601(6) AND TO ADD 32 V.S.A. § 3845 RELATING TO TAXATION OF ALTERNATIVE ENERGY SOURCES.

(H. 206)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 32 V.S.A. § 9601(6) is amended to read:

(6) "Value" means, in the case of any transfer of title to property which is not a gift and which is not made for a nominal consideration, the amount of the full actual consideration for such transfer, paid or to be paid, including the amount of any liens or encumbrances on the property existing before the transfer and not removed thereby; in the case of a gift, or a transfer for nominal consideration, "value" means the fair market value of the property transferred. "Value" shall not include the fair market value of private alternative energy sources as defined in section 3845 of this title.

Sec. 2. 32 V.S.A. § 3845 is added to read:

§ 3845. Alternate energy sources

(a) At an annual or special meeting warned for that purpose, a town may, by a majority vote of those present and voting, exempt alternate energy sources, as defined herein, from real and personal property taxation. Such exemption shall first be applicable against the grand list of the year in which the vote is taken and shall continue until voted otherwise, in the same manner, by the town.

(b) For the purposes of this section alternate energy sources includes any plant, structure or facility used for the generation of electricity or production of energy used on the premises for private, domestic or agricultural purposes, no part of which may be for sale or exchange to the public. The term shall include, but not be limited to grist mills, windmills, facilities for the collection of solar energy or the conversion of organic matter to methane, and all component parts thereof including land upon which the facility is located, not to exceed one-half acre.

Sec. 3. 24 V.S.A. chapter 33, subchapter 12 is added to read:

Subchapter 12. Energy Coordinator

§ 1131. Energy coordinator; duties

(a) At an annual meeting warned for that purpose, a town may authorize the selectmen to appoint for a one year term an energy coordinator.

(b) An energy coordinator shall coordinate existing energy resources in the town and cooperate with the municipal planning commission and with those federal, state and regional agencies of government which are responsible for energy matters.

(c) An energy coordinator may study and evaluate sources of energy which are alternatives to those presently available with a view toward the more efficient and economical utilization of existing and potential energy resources.

(d) An energy coordinator shall make periodic reports of his activities to the selectmen as they may require and may perform such other duties, studies or examinations as may be required by the selectmen.

Approved: April 7, 1976.

J.R.S. 35. JOINT RESOLUTION RELATING TO A SOLAR RESEARCH
INSTITUTE.

WHEREAS, solar energy is an environmentally protective,
potentially lower cost energy source for the nation and the region,
and

WHEREAS, New England has been in the forefront of adaptation
of technology with regard to meeting national needs and ought to be
in the forefront with regard to environmental issues, and

WHEREAS, the introduction of solar energy would have a measurable
impact on lowering the cost of living and promote environmentally
sound growth, and

WHEREAS, substantial and innovative work has been done for over
a decade on solar energy in Vermont, and

WHEREAS, Vermont and New England need alternatives to the present
unacceptably high reliance on imported products of crude lifted in
the Middle East and natural gas imported from Canada, and

WHEREAS, Vermont and New England need new industrial potentials
~~Resolved by the Senate and House of Representatives~~
and the nation needs to protect the region's research and development
capabilities, and

WHEREAS, Congress has mandated the creation of a new Solar
Research Institute under the auspices of the Energy Research and
Development Administration, and

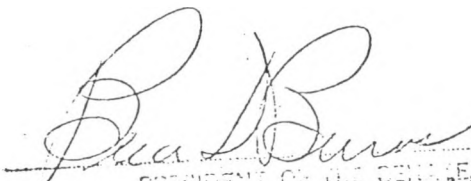
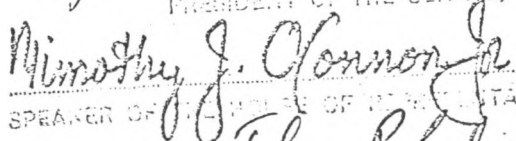
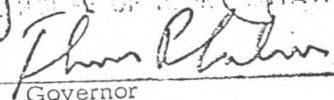
WHEREAS, the New England congressional and senatorial delegations
and the New England Council have been working to draw together the
resources of the region to ensure the siting of the new Solar Research
Institute in the New England area, and

WHEREAS, commendable support of the project from businesses,
individuals and academic institutions in Vermont has already been
exhibited, now therefore be it

RESOLVED BY THE SENATE AND HOUSE OF REPRESENTATIVES:

That the General Assembly of the State of Vermont will lend every effort of support and cooperation with the regional effort to ensure the siting of the Institute in the region and support the activities of such an Institute, and be it further

RESOLVED: That the General Assembly of the State of Vermont will support the development of an inventory of state and private resources in the State of Vermont in order to promote the siting of the Institute in the New England region.


PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES
APPROVED: 
Governor
March 23, 1976

190501

HOUSE JOINT RESOLUTION NO. 10

Offered January 20, 1976

Proposing amendments to Sections 1, 2, 4, 5 and 8 of Article II, Section 12 of Article VI and Section 6 of Article X of the Constitution of Virginia, relating to qualification and registration of voters and candidates, limitations on judicial appointments of officials and property exempt from State and local taxation.

Patrons—Allen and McMurran

Referred to the Committee on Privileges and Elections

WHEREAS, proposed amendments to the Constitution of Virginia, hereinafter set forth, were agreed to by a majority of the members elected to each of the two houses of the General Assembly at the session of nineteen hundred seventy-five and referred to this, the next regular session held after the general election of members of the House of Delegates, as required by the Constitution of Virginia; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, a majority of the member elected to each house agreeing, That the following amendments to the Constitution of Virginia be, and the same hereby are, proposed in conformity with the provisions of § 1 of Article XII of the Constitution of Virginia; namely:

Amend Sections 1, 2, 4, 5 and 8 of Article II, Section 12 of Article VI and Section 6 of Article X of the Constitution of Virginia as follows:

ARTICLE II

FRANCHISE AND OFFICERS

Section 1. Qualifications of voters.

In elections by the people, the qualifications of voters shall be as follows: Each voter shall be a citizen of the United States, shall be eighteen years of age, shall fulfill the residence requirements set forth in this section, and shall be registered to vote pursuant to this Article. No person who has been convicted of a felony shall be qualified to vote unless his civil rights have been restored by the Governor or other appropriate authority. As prescribed by law, no person adjudicated to be mentally incompetent shall be qualified to

1 vote until his competency has been reestablished.

2 The residence requirements shall be that each voter shall ~~have~~
3 ~~been~~ be a resident of the Commonwealth for ~~six months~~ and of the
4 precinct where he votes for ~~thirty days~~. A person who is qualified
5 to vote except for having moved his residence from one precinct to
6 another ~~fewer than thirty days prior to an election~~ may in the following
7 November general election and in any ~~such~~ intervening election vote in the
8 precinct from which he has moved. Residence, for all purposes of
9 qualification to vote, requires both domicile and a place of abode.
10 The General Assembly may provide, in elections for President and
11 Vice-President of the United States, a ~~residence requirement of less~~
12 ~~than six months~~ and alternatives to registration for new residents of
13 the Commonwealth.

14 Any person who will be qualified with respect to age to vote at
15 the next general election shall be permitted to register in advance
16 and also to vote in any intervening primary or special election

17 Section 2. Registration of voters.

18 The General Assembly shall provide by law for the registration
19 of all persons otherwise qualified to vote who have met the
20 residence requirements contained in this Article, and shall ensure
21 that the opportunity to register is made available. Registrations
22 accomplished prior to the effective date of this section shall be
23 effective hereunder. The registration records shall not be closed to
24 new or transferred registrations more than thirty days before the
25 election in which they are to be used.

26 Applications to register shall require the applicant to provide
27 under oath the following information on a standard form: full name,
28 including the maiden name of a woman, if married; age; date and
29 place of birth; marital status; occupation; social security number, if
30 any; whether the applicant is presently a United States citizen;
31 address and place of abode and ~~length~~ date of residence in the
32 ~~Commonwealth and in the precinct~~; place ~~and time~~ of any previous
33 registrations to vote; and whether the applicant has ever been
34 adjudicated to be mentally incompetent or convicted of a felony,
35 and if so, under what circumstances the applicant's right to vote has
36 been restored. Except as otherwise provided in this Constitution, all
37 applicants to register shall be completed in person before the

1 registration and by or at the direction of the applicant and signed by
2 the applicant, unless physically disabled. No fee shall be charged to
3 the applicant incident to an application to register.

4 Nothing in this article shall preclude the General Assembly
5 from requiring as a prerequisite to registration to vote the ability of
6 the applicant to read and complete in his own handwriting the
7 application to register.

8 Section 4. Powers and duties of General Assembly.

9 The General Assembly shall establish a uniform system for
10 permanent registration of voters pursuant to this Constitution,
11 including provisions for appeal by any person denied registration,
12 correction of illegal or fraudulent registrations, proper transfer of all
13 registered voters, and cancellation of registrations in other
14 jurisdictions of persons who apply to register to vote in the
15 Commonwealth. The General Assembly shall provide for
16 maintenance of accurate and current registration records and shall
17 provide for cancellation of the registration of any voter who has not
18 voted at least once during four consecutive calendar years.

19 The General Assembly may provide for registration and voting
20 by absentee application and ballot for members of the Armed
21 Forces of the United States in active service, *persons residing temporarily*
22 *outside of the United States by virtue of their employment*, and their spouses and
23 *dependents residing with such persons*, who are otherwise qualified to vote,
24 and may provide for voting by absentee ballot for other qualified
25 voters.

26 The General Assembly shall provide for the nomination of
27 candidates shall regulate the time, place, manner, conduct, and
28 administration of primary, general, and special elections, and shall
29 have power to make any other law regulating elections not
30 inconsistent with this Constitution.

31 Section 5. Qualifications to hold elective office.

32 The only qualification to hold any office of the Commonwealth
33 or of its governmental units, elective by the people, shall be that a
34 person must have been a resident of the Commonwealth for one
35 year *next preceding his election* and be qualified to vote for that office,
36 except as otherwise provided in this Constitution, and except that:

37 (a) the General Assembly may impose more restrictive

1 geographical residence requirements for election of its members,
2 and may permit other governing bodies in the Commonwealth to
3 impose more restrictive geographical residence requirements for
4 election to such governing bodies, but no such requirement shall
5 impair equal representation of the persons entitled to vote;

6 (b) the General Assembly may provide that residence in a local
7 governmental unit is not required for election to designate elective
8 offices in local governments, other than membership in the local
9 governing body; and

10 (c) nothing in this Constitution shall limit the power of the
11 General Assembly to prevent conflict of interests, and
12 officeholding, or other incompatible activities by elective or
13 appointive officials of the Commonwealth or of any political
14 subdivision.

15 Section 8. Electoral boards; registrars and officers of election.

16 There shall be in each county and city an electoral board
17 composed of three members, selected as provided by law. In the
18 appointment of the electoral boards, representation, as far as
19 practicable, shall be given to each of the two political parties which,
20 at the general election next preceding their appointment, cast the
21 highest and the next highest number of votes. The present members
22 of such board shall continue in office until the expiration of their
23 respective terms; thereafter their successors shall be appointed for
24 the term of three years. Any vacancy occurring in any board shall
25 be filled by the same authority for the unexpired term.

26 Each electoral board shall appoint the officers and registrars of
27 election for its county or city. In appointing such officers of election,
28 representation, as far as practicable, shall be given to each of the
29 two political parties which, at the general election next preceding
30 their appointment, cast the highest and next highest number of
31 votes.

32 No person, nor the deputy of any person, who is employed by or
33 holds any office or post of profit or emolument, or who holds any
34 elective office of profit or trust, under the governments of the
35 United States, the Commonwealth, or any county, city, or town,
36 shall be appointed a member of the electoral board or general
37 registrar or officer of election .

1 ARTICLE VI.

2 § 12. Limitation; judicial appointment.—No judge shall be
3 granted the power to make any appointment of any local
4 governmental official elected by the voters except to fill a vacancy
5 in office pending the next ensuing general election or, if the vacancy
6 occurs within one hundred twenty days prior to such election,
7 pending the second ensuing general election , *unless such election falls*
8 *within sixty days of the end of the term of the office to be filled.*

9 ARTICLE X.

10 Section 6. Exempt property.

11 (a) Except as otherwise provided in this Constitution, the
12 following property and no other shall be exempt from taxation,
13 State and local, including inheritance taxes:

14 (1) Property owned directly or indirectly by the Commonwealth
15 or any political subdivision thereof, and obligations of the
16 Commonwealth or any political subdivision thereof exempt by law.

17 (2) Real estate and personal property owned and exclusively
18 occupied or used by churches or religious bodies for religious
19 worship or for the residence of their ministers.

20 (3) Private or public burying grounds or cemeteries, provided
21 the same are not operated for profit.

22 (4) Property owned by public libraries or by institutions of
23 learning not conducted for profit, so long as such property is
24 primarily used for literary, scientific, or educational purposes or
25 purposes incidental thereto. This provision may also apply to
26 leasehold interests in such property as may be provided by general
27 law.

28 (5) Intangible personal property, or any class or classes thereof,
29 as may be exempted in whole or in part by general law.

30 (6) Property used by its owner for religious, charitable,
31 patriotic historical, benevolent, cultural, or public park and
32 playground purposes, as may be provided by classification or
33 designation by a three-fourths vote of the members elected to each
34 house of the General Assembly and subject to such restrictions and
35 conditions as may be prescribed.

36 (7) *Land subject to a perpetual easement permitting inundation by water as may be*
37 *exempted in whole or in part by general law.*

1 (b) The General Assembly may by general law authorize the
2 governing body of any county, city, town, or regional government to
3 provide for the exemption from local real property taxation, or a
4 portion thereof, within such restrictions and upon such conditions
5 as may be prescribed, of real estate owned by, and occupied as the
6 sole dwelling of, persons not less than sixty-five years of age or
7 *persons permanently and totally disabled as established by general law* who are
8 deemed by the General Assembly to be bearing an extraordinary tax
9 burden on said real estate in relation to their income and financial
10 worth.

11 (c) Except as to property of the Commonwealth, the General
12 Assembly by general law may restrict or condition, in whole or in
13 part, but not extend, any or all of the above exemptions.

14 (d) The General Assembly may define as a separate subject of
15 taxation any property, including real or personal property,
16 equipment, facilities, or devices, used primarily for the purpose of
17 abating or preventing pollution of the atmosphere or waters of the
18 Commonwealth *or for the purpose of transferring or storing solar energy*, and by
19 general law may allow the governing body of any county, city, town,
20 or regional government to exempt or partially exempt such property
21 from taxation, or by general law may directly exempt or partially
22 exempt such property from taxation.

23 (e) The General Assembly may define as a separate subject of
24 taxation household goods ~~and~~, personal effects *and tangible farm property*
25 *and products*, and by general law may allow the governing body of any
26 county, city, town, or regional government to exempt or partially
27 exempt such property from taxation, or by general law may directly
28 exempt or partially exempt such property from taxation.

29 (f) Exemptions of property from taxation as established or
30 authorized hereby shall be strictly construed; provided, however,
31 that all property exempt from taxation on the effective date of this
32 section shall continue to be exempt until otherwise provided by the
33 General Assembly as herein set forth.

34 (g) The General Assembly may by general law authorize any
35 county, city, town, or regional government to impose a service
36 charge upon the owners of a class or classes of exempt property for
37 services provided by such governments.

ENGROSSED SUBSTITUTE SENATE BILL NO. 3172
AS AMENDED BY THE FREE CONFERENCE COMMITTEE

State of Washington
44th Legislature
2nd Extraordinary Session

By Committee on Transportation and
Utilities (Originally sponsored
by Senators Henry, Talley,
McDermott, Walgren, Morrison,
Bottiger and Mardesich)

Read first time February 4, 1976, and passed to second reading.

1 AN ACT Relating to energy; amending section 43.31.040, chapter 8,
2 Laws of 1965 as last amended by section 2, chapter 221, Laws
3 of 1967 and RCW 43.31.040; amending section 5, chapter 10,
4 Laws of 1965 and RCW 43.31.300; amending section 1, chapter
5 207, Laws of 1961 and RCW 70.98.010; amending section 2,
6 chapter 207, Laws of 1961 as amended by section 1, chapter 88,
7 Laws of 1965 and RCW 70.98.020; amending section 24, chapter
8 207, Laws of 1961 and RCW 70.98.210; amending section
9 43.06.010, chapter 8, Laws of 1965 as amended by section 8,
10 chapter 186, Laws of 1969 ex. sess. and RCW 43.06.010;
11 amending section 1, chapter 186, Laws of 1969 ex. sess. and
12 RCW 43.06.200; amending section 2, chapter 186, Laws of 1969
13 ex. sess. and RCW 43.06.210; amending section 3, chapter 186,
14 Laws of 1969 ex. sess. and RCW 43.06.220; amending section 1,
15 chapter 45, Laws of 1970 ex. sess. and RCW 80.50.010; amending
16 section 2, chapter 45, Laws of 1970 ex. sess. and RCW
17 80.50.020; amending section 3, chapter 45, Laws of 1970 ex.
18 sess. as amended by section 46, chapter 171, Laws of 1974 ex.
19 sess. and RCW 80.50.030; amending section 4, chapter 45, Laws
20 of 1970 ex. sess. and RCW 80.50.040; amending section 5,
21 chapter 45, Laws of 1970 ex. sess. and RCW 80.50.050; amending
22 section 6, chapter 45, Laws of 1970 ex. sess. and RCW
23 80.50.060; amending section 7, chapter 45, Laws of 1970 ex.
24 sess. and RCW 80.50.070; amending section 10, chapter 45, Laws
25 of 1970 ex. sess. and RCW 80.50.100; amending section 11,
26 chapter 45, Laws of 1970 ex. sess. and RCW 80.50.110; amending
27 section 12, chapter 45, Laws of 1970 ex. sess. and RCW
28 80.50.120; amending section 1, chapter 110, Laws of 1974 ex.
29 sess. and RCW 80.50.170; amending section 2, chapter 110, Laws
30 of 1974 ex. sess. and RCW 80.50.175; amending section 5,

1 chapter 155, Laws of 1973 and RCW 90.48.262; creating new
2 chapters in Title 43 RCW; adding a new section to chapter
3 41.06 RCW; adding a new section to chapter 43.06 RCW; adding a
4 new section to chapter 80.50 RCW; repealing section 7, chapter
5 207, Laws of 1961, section 4, chapter 88, Laws of 1965,
6 section 1, chapter 44, Laws of 1969, section 18, chapter 18,
7 Laws of 1970 ex. sess., section 162, chapter 34, Laws of 1975-
8 '76 2nd ex. sess. and RCW 70.98.070; defining crimes;
9 prescribing penalties; prescribing an effective date; and
10 declaring an emergency.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

12 NEW SECTION. Section 1. The legislature finds and declares
13 that it is the continuing purpose of state government, consistent
14 with other essential considerations of state policy, to foster wise
15 and efficient energy use and to promote energy self-sufficiency
16 through the use of indigenous and renewable energy sources,
17 consistent with the promotion of reliable energy sources, the general
18 welfare, and the protection of environmental quality.

19 NEW SECTION. Sec. 2. It is the policy of the state of
20 Washington that:

21 (1) The development and use of a diverse array of energy
22 resources with emphasis on renewable energy resources shall be
23 encouraged;

24 (2) The development and use of energy resources shall be
25 consistent with the statutory environmental policies of the state;

26 (3) Energy conservation and elimination of wasteful and
27 uneconomic uses of energy and materials be encouraged. This
28 conservation should include, but not be limited to, resource recovery
29 and materials recycling;

30 (4) In energy emergency shortage situations, energy
31 requirements to maintain the public health, safety, and welfare shall
32 be given priority in the allocation of energy resources, and citizens
33 and industry shall be assisted in adjusting to the limited
34 availability of energy in order to minimize adverse impacts on their
35 physical, social, and economic well being; and

36 (5) State government shall provide a source of impartial and

1 objective information in order that this energy policy may be
2 enhanced.

3 NEW SECTION. Sec. 3. As used in this chapter:

4 (1) "Energy" means: Petroleum or other liquid fuels; natural
5 or synthetic fuel gas; solid carbonaceous fuels; fissionable nuclear
6 material; electricity; solar radiation; geothermal resources; organic
7 waste products; wind; tidal activity; or any other substance or
8 process used to produce heat, light, or motion;

9 (2) "Person" means an individual, partnership, joint venture,
10 private or public corporation, association, firm, public service
11 company, political subdivision, municipal corporation, government
12 agency, public utility district, joint operating agency, or any other
13 entity, public or private, however organized;

14 (3) "Director" means the director of the state energy office;

15 (4) "Council" shall mean the energy advisory council created
16 in section 8 of this 1976 amendatory act;

17 (5) "Distributor" means any person, private corporation,
18 partnership, individual proprietorship, utility, including investor-
19 owned utilities, municipal utility, public utility district, joint
20 operating agency, or cooperative, which engages in or is authorized
21 to engage in the activity of generating, transmitting, or
22 distributing energy in this state; and

23 (6) "Energy facility" means an energy facility as defined in
24 RCW 80.50.020 as now or hereafter amended.

25 NEW SECTION. Sec. 4. The "state energy office" is hereby
26 created as an agency of state government, responsible to the governor
27 and the legislature for carrying out the purposes of this chapter.
28 The director shall be appointed by the governor with the consent of
29 the senate, and shall serve at the pleasure of the governor. The
30 salary of the director shall be determined pursuant to the provisions
31 of RCW 43.03.040. The director shall employ such personnel as are
32 necessary to carry out the provisions of this chapter. The
33 employment of such personnel shall be in accordance with the
34 provisions of chapter 41.06 RCW, except as provided in section 10 of
35 this 1976 amendatory act: PROVIDED, That the state energy office and
36 its powers, duties and functions shall be dissolved and this act as

1 it relates thereto shall have no further force and effect after April
2 1, 1981: PROVIDED FURTHER, That the legislature may extend this time
3 period through legislative enactment.

4 NEW SECTION. Sec. 5. The energy office shall have the
5 following duties:

6 (1) To establish and maintain a central repository in state
7 government for collection of data on energy resources, including but
8 not limited to:

9 (a) Data on energy supply, demand, costs, projections, and
10 forecasts;

11 (b) Inventory data on energy research projects in the state
12 conducted under public and/or private auspices, and the results
13 thereof;

14 (2) To prepare analyses of such data as well as analyses of
15 projections and/or forecasts of energy supply and demand in the state
16 and region as are necessary for development of recommendations with
17 respect to the timing of construction of additional facilities and
18 other energy programs and the development of other information as is
19 necessary to support the performance of its duties;

20 (3) To carry out energy related administrative and program
21 functions and activities established by federal law, regulations, or
22 guidelines which are and which have previously been or may be
23 determined to be suitable for implementation by the state of
24 Washington;

25 (4) To develop and disseminate guidelines for the development
26 of conservation plans for use by government, industry, and individual
27 citizens;

28 (5) To prepare in conjunction with the energy advisory
29 council, contingency plans for implementation by state government in
30 the case of a clear and foreseeable danger of energy shortages or
31 actual energy emergencies. Such plans shall include procedures for
32 determining when such shortages or emergencies exist, the state
33 officers and agencies to participate in such determination, and
34 actions to be taken by various agencies and officers of state
35 government in order to reduce hardship and maintain the general
36 welfare during such emergencies. The components of such plans that

1 require legislation for their implementation shall be presented to
2 the legislature in the form of proposed legislation at the earliest
3 practicable date;

4 (6) To advise and support agencies of state government whose
5 plans and programs involve the production, conversion, transmission,
6 or end-use of significant amounts of energy, or which require
7 knowledge of the present and projected supply and demand of energy,
8 so that such agencies may evaluate the consequences of such actions
9 with respect to state energy goals;

10 (7) To advise and support the regulatory functions of state
11 agencies through information, reports, and studies;

12 (8) To present state interests and concerns on energy matters
13 to local governments, other states, regional interstate energy
14 organizations, federal agencies, and private interests: PROVIDED,
15 That nothing in this subsection shall be construed to abrogate or
16 diminish the functions, powers, or duties of other state agencies
17 established by law;

18 (9) To present the state's interests in the field of nuclear
19 energy to federal, regional, and local authorities and to private
20 interests as an identifiable activity within its overall program;

21 (10) To make periodic reports and policy and program
22 recommendations to the governor and the legislature and to submit
23 proposed legislation to the legislature;

24 (11) To serve as the official state agency responsible for
25 coordination of energy-related activities;

26 (12) To adopt rules, pursuant to chapter 34.04 RCW, necessary
27 to carry out the powers and duties enumerated in sections 5 and 6 of
28 this 1976 amendatory act.

29 NEW SECTION. Sec. 6. In addition to the duties prescribed in
30 section 5 of this 1976 amendatory act, the energy office shall have
31 the authority to:

32 (1) Obtain all necessary information from energy producers,
33 suppliers, and consumers, doing business within the state of
34 Washington, from political subdivisions in this state, or any person
35 as may be necessary to carry out the provisions of this chapter.
36 Such information may include but not be limited to:

- 1 (a) Sales volume;
- 2 (b) Forecasts of energy requirements; and
- 3 (c) Inventory of energy.

4 Notwithstanding any other provision of law to the contrary,
5 information furnished under this subsection shall be confidential and
6 maintained as such, if so requested by the person providing the
7 information, if the information is proprietary.

8 It shall be unlawful to disclose such information except as
9 hereinafter provided. A violation shall be punishable, upon
10 conviction, by a fine of not more than one thousand dollars for each
11 offense. In addition, any person who wilfully or with criminal
12 negligence, as defined in RCW 9A.08.010, discloses confidential
13 information in violation of this subsection may be subject to removal
14 from office or immediate dismissal from public employment
15 notwithstanding any other provision of law to the contrary.

16 Nothing in this subsection prohibits the use of confidential
17 information to prepare statistics or other general data for
18 publication when it is so presented as to prevent identification of
19 particular persons or sources of confidential information.

20 (2) Receive and expend funds obtained from the federal
21 government or other sources by means of contracts, grants, awards,
22 payments for services, and other devices in support of energy-related
23 scientific and technical programs, studies, operations, and other
24 activities beneficial to the state of Washington: PROVIDED, That
25 expenditures of such funds shall be subject to prior approval by the
26 legislative budget committee.

27 NEW SECTION. Sec. 7. In addition to the duties and functions
28 assigned by sections 5 and 6 of this 1976 amendatory act, the
29 director of the state energy office shall:

30 (1) Supervise the day-to-day functions of the office;
31 (2) Assign, reassign, and coordinate personnel of the office
32 and prescribe their duties subject to the provisions of chapter 41.06
33 RCW;

34 (3) Provide staff support to the energy advisory council;

35 (4) Advise the governor and the legislature on energy matters
36 and of existing and imminent energy shortages.