

MAINE STATE LEGISLATURE

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Date 6/6/23 Minority

L D 1531
(Filing No H-372)

ENERGY, UTILITIES AND TECHNOLOGY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
131ST LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to H P 986, L D 1531, "Resolve, to Implement a 4-year Moratorium on Solar Energy Subsidies and Direct the Department of Environmental Protection to Study the Economic Impact of Industrial Solar Energy Projects "

Amend the resolve by striking out the title and substituting the following

'Resolve, to Implement a 4-year Moratorium on Solar Energy Subsidies and Direct the Public Utilities Commission to Study the Economic Impact of Industrial Solar Energy Projects'

Amend the resolve by striking out all of section 2 and inserting the following

'Sec. 2. Public Utilities Commission to study economic impact of industrial solar energy projects. Resolved: That the Public Utilities Commission shall study the economic impact of industrial solar energy projects in the State By December 6, 2023, the commission shall report the results of the study along with any recommended legislation to the Joint Standing Committee on Energy, Utilities and Technology The joint standing committee may report out legislation based on the study to the Second Regular Session of the 131st Legislature

Sec. 3. Appropriations and allocations. Resolved: That the following appropriations and allocations are made

PUBLIC UTILITIES COMMISSION

Public Utilities - Administrative Division 0184

Initiative Provides funding for contracted consulting services to study the economic impact of industrial solar energy projects

OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
All Other	\$203,740	\$0
OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$203,740</u>	<u>\$0</u>

COMMITTEE AMENDMENT

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Amend the resolve by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively

SUMMARY

This amendment changes the resolve's title, amends section 2 of the resolve to direct the Public Utilities Commission, instead of the Department of Environmental Protection, to conduct an economic impact study of industrial solar energy projects in the State and requires the results of the study to be reported to the Joint Standing Committee on Energy, Utilities and Technology instead of to the Joint Standing Committee on Environment and Natural Resources

FISCAL NOTE REQUIRED

(See attached)



131st MAINE LEGISLATURE

LD 1531

LR 1885(02)

Resolve, to Implement a 4-year Moratorium on Solar Energy Subsidies and Direct the Department of Environmental Protection to Study the Economic Impact of Industrial Solar Energy Projects

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-372)
Committee: Energy, Utilities and Technology
Fiscal Note Required: Yes

Fiscal Note

Possible loss of Federal Funds
Possible Constitutional Conflict

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Appropriations/Allocations				
Other Special Revenue Funds	\$203,740	\$0	\$0	\$0
Revenue				
Other Special Revenue Funds	\$203,740	\$0	\$0	\$0

Fiscal Detail and Notes

This bill imposes a 4-year moratorium on subsidies or assistance provided or disbursed by an agency, department, bureau, office, or independent governmental unit of the State to a private person for the purpose of researching, developing, implementing, constructing or supporting a solar energy project. Currently, no state subsidies are provided for solar energy projects. However, delays in the disbursement of federal funds allocated to the State for solar energy projects due to the moratorium could result in these funds being forfeited to the federal government and affect the State's ability to access future federal funding opportunities within those federal programs.

The bill prohibits the State from providing solar energy property equipment tax exemptions to taxpayers in the unorganized territories during the moratorium period. Taxpayers in municipalities would not be subject to the same restrictions, which may be in conflict with the Maine Constitution's Article IX, section 8, regarding the equal assessment of real and personal estate taxes.

The bill also directs the Public Utilities Commission (PUC) to conduct an economic impact study of industrial solar energy projects in the State. It includes a one-time allocation of \$203,740 in fiscal year 2023-24 to the PUC for contracted consulting services to complete an economic impact study. The PUC is funded by an assessment set to produce sufficient revenue for any expenditures allocated by the Legislature for operating the PUC. The increased allocations in this bill require a corresponding increase in revenue from the assessment on transmission and distribution utilities.