



HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL:1394

PRINTER'S NO: 4467

PRIME SPONSOR: Houghton

FISCAL IMPACT SUMMARY	FY 2010/11	FY 2011/12
Expenditure Increase/(Decrease):		
General Fund	\$0	\$0
Local Government Funds	See Analysis	See Analysis
Revenue Increase/(Decrease):		
General Fund	\$0	\$0
Local Government Funds	See Analysis	See Analysis

OVERVIEW:

House Bill 1394 would allow owners of land with preferential assessments to devote or lease a portion of the land for wind power generation systems. According to this bill, roll-back taxes would be due only on the portion of land used for wind power generation systems and appurtenant structures, whereas current law would require roll-back to be paid on the entire portion of land with preferential assessments when a portion of the land is dedicated for non-agricultural use.

This bill provides for preferential assessment status to remain in full effect where land is devoted to the development and operation of an alternative energy system that utilizes a Tier I energy source to generate alternative energy, if a majority of the energy annually generated is utilized on the tract. Tier I energy sources as defined in the Alternative Energy Portfolio Standards Act of 2004 (P.L.1672, No.213) include solar photovoltaic and solar thermal energy; wind power; low-impact hydropower; geothermal energy; biologically derived methane gas; fuel cells; biomass energy; and coal mine methane.

This act would take effect immediately.

ANALYSIS:

There is no adverse fiscal impact on Commonwealth funds. This bill could increase local taxing authorities' revenues to the extent that owners of land with preferential assessments use or lease their land for wind power generation. It should be noted that although revenue could be generated, the amount would be less than the amount that could be generated if roll-back taxes would be due on the entire property with preferential assessments. The exact amount of revenue that could be generated cannot be determined due to the fact that the quantity of land owners that will decide to use or lease their land for wind power generation is not known.

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DATE: November 15, 2010

General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*