

**SB 154 STAFF MEASURE SUMMARY**

**Senate Committee On Energy and Environment**

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**Prepared By:** Beth Reiley, LPRO Analyst

**Sub-Referral To:** Joint Committee On Tax Expenditures

**Meeting Dates:** 2/4

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**WHAT THE MEASURE DOES:**

Extends sunset of program under which property constituting solar project may be exempt and instead pay fee in lieu of property taxes to January 2, 2028. Takes effect on 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

In 2015, the Legislative Assembly enacted House Bill 3492 which created the fee in lieu of property tax for solar projects incentive (Program). The Program authorizes, any solar project, pursuant to executing an agreement with the county (and city, if inside one), to be exempt for up to 20 years, contingent on annual payment to the county/city of a fee equal to \$7,000 per MW of the project's nameplate capacity, and provided that the project is or was not subject to any other exemption. The Incentive is scheduled to sunset January 2, 2022.

Senate Bill 154 extends the sunset on the Program to January 2, 2028.