

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1834-01  
Bill No.: HB 783  
Subject: Energy; Natural Resources Department  
Type: Original  
Date: April 13, 2015

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Bill Summary: This proposal changes the laws regarding energy.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

#### §§ 393.1025, 393.1030, 393.1032, and 393.1075 - Energy Regulation:

Officials from the **Department of Natural Resources (DNR)** assume this proposal would modify the definition of renewable energy source as related to hydropower. The proposal removes the requirement that energy associated with any unused credit be generated after January 1, 2011.

DNR assumes this proposal also changes the requirements related to solar rebates.

DNR assumes this proposal states all hydroelectric generation facilities located in Missouri, hydroelectric generation facilities that are owned by a Missouri utility, or under a purchased power agreement with a Missouri utility that is required to comply with energy standards under sections 393.1020 to 393.1045, will be classified as a certified renewable energy resource effective January 1, 2018. Beginning January 1, 2021, all hydroelectric generation would be classified as a certified renewable energy resource.

DNR assumes the responsibilities of this proposal appear to fall under the Department of Economic Development-Division of Energy. With Executive Order 13-03 the Division of Energy was transferred from DNR to the Department of Economic Development, by Type I transfer.

DNR would not anticipate a direct fiscal impact from this proposal.

**Oversight** has not received a response from the Department of Economic Development-Division of Energy.

Officials from the **Joint Committee on Administrative Rules** assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

§§ 393.1025, 393.1030, 393.1032, and 393.1075 - Energy Regulation:

This proposal could have a positive economic impact on small businesses involved with renewable energy development.

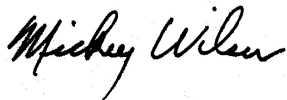
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Natural Resources  
Joint Committee on Administrative Rules



Mickey Wilson, CPA  
Director  
April 13, 2015

Ross Strope  
Assistant Director  
April 13, 2015