### FIRST REGULAR SESSION

#### HOUSE COMMITTEE SUBSTITUTE FOR

# SENATE BILL NO. 72

### 100TH GENERAL ASSEMBLY

0428H.05C

DANA RADEMAN MILLER, Chief Clerk

## **AN ACT**

To repeal section 153.034, RSMo, and to enact in lieu thereof two new sections relating to wind energy.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 153.034, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 153.034 and 393.1070, to read as follows:

153.034. 1. The term "distributable property" of an electric company shall include all

- 2 the real or tangible personal property which is used directly in the generation and distribution of
- 3 electric power, but not property used as a collateral facility nor property held for purposes other
- 4 than generation and distribution of electricity. Such distributable property includes, but is not
- 5 limited to:
- 6 (1) Boiler plant equipment, turbogenerator units and generators;
- 7 (2) Station equipment;
- 8 (3) Towers, fixtures, poles, conductors, conduit transformers, services and meters;
- 9 (4) Substation equipment and fences;
- 10 (5) Rights-of-way;
- 11 (6) Reactor, reactor plant equipment, and cooling towers;
- 12 (7) Communication equipment used for control of generation and distribution of power;
- 13 (8) Land associated with such distributable property.
- 2. The term "local property" of an electric company shall include all real and tangible
- 15 personal property owned, used, leased or otherwise controlled by the electric company not used
- 16 directly in the generation and distribution of power and not defined in subsection 1 of this section
- 17 as distributable property. Such local property includes, but is not limited to:
- 18 (1) Motor vehicles;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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- 19 (2) Construction work in progress;
- 20 (3) Materials and supplies;
- 21 (4) Office furniture, office equipment, and office fixtures;
- 22 (5) Coal piles and nuclear fuel;
- 23 (6) Land held for future use;
- 24 (7) Workshops, warehouses, office buildings and generating plant structures;
- 25 (8) Communication equipment not used for control of generation and distribution of 26 power;
- 27 (9) Roads, railroads, and bridges;

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- 28 (10) Reservoirs, dams, and waterways;
- 29 (11) Land associated with other locally assessed property and all generating plant land.
  - 3. (1) Any real or tangible personal property associated with a project which uses wind energy directly to generate electricity shall be valued and taxed by any state and local authorities having jurisdiction under the provisions of chapter 137 and any other relevant provisions of law. The method of taxation prescribed in subsection 2 of section 153.030 shall not apply to such property.
  - (2) The real or tangible personal property referenced in subdivision (1) of this subsection shall include all equipment whose sole purpose is to support the integration of a wind generation asset into an existing system. Examples of such property may include, but are not limited to, wind chargers, windmills, wind turbines, wind towers, and associated electrical equipment such as inverters, pad mount transformers, power lines, storage equipment directly associated with wind generation assets, and substations.
  - 393.1070. 1. There is established a task force of the general assembly to be known as the "Task Force on Wind Energy" to be comprised of the following members:
    - (1) Six members of the general assembly including:
    - (a) Three members from the house of representatives, with two appointed by the speaker of the house of representatives and one appointed by the minority floor leader of the house of representatives;
  - (b) Three members from the senate, with two appointed by the president pro tempore of the senate and one appointed by the minority floor leader of the senate; and
  - (2) Two representatives from Missouri county governments with experience in wind energy valuations, with one being a currently elected county assessor to be appointed by the speaker of the house of representatives and one being a currently elected county clerk to be appointed by the president pro tempore of the senate.
- 2. The task force shall conduct public hearings, research, and compile a report for delivery to the general assembly by December 31, 2019, on the following:

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- 15 (1) The economic benefits of wind turbines to local communities and the state;
- 16 (2) The fair, uniform and standardized statewide assessment and taxation of wind turbines and their connected equipment at the county level;
  - (3) Compliance with existing federal and state programs and regulations; and
  - (4) Legislation that will provide a uniform assessment and taxation methodology for wind turbines and their connected equipment that will be used in every county of Missouri.
  - 3. The task force shall meet within thirty days after the effective date of this section and organize by selecting a chairperson and vice chairperson, one of whom shall be a member of the senate and the other a member of the house of representatives. Thereafter, the task force may meet as often as necessary in order to accomplish the tasks assigned to it. A majority of the task force constitutes a quorum and a majority vote of a quorum is required for any action.
  - 4. The task force shall be staffed by legislative staff as necessary to assist the task force in the performance of its duties.
  - 5. The members of the task force shall serve without compensation but shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of their official duties.
    - 6. The task force shall terminate on December 31, 2019.

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