

HB 1062 -- EMINENT DOMAIN

SPONSOR: Hansen

COMMITTEE ACTION: Voted "Do Pass" by the Rules - Legislative Oversight by a vote of 9 to 4.

This bill specifies that no private entity has the power of eminent domain for the purposes of constructing above-ground merchant lines.

PROPOSERS: Supporters say that the bill will prohibit private companies from using the state power of eminent domain in order to maximize their own profits while providing little or no benefit to Missouri consumers. The use of eminent domain is a last resort and is a burden on Missouri landowners and farmers. Eminent domain should be used only to benefit local residents and landowners. In this instance less than 12% of electricity will be sold to Missouri consumers. The Missouri Public Service Commission's certificate grants out-of-state interests a competitive advantage in the sale of electricity generated from wind farms. Direct current lines require very large structures and towers which can be an eyesore and might interfere with farming operations and other desired land use.

Testifying for the bill were Representative Hansen; John W. Lake; Todd Hays, Missouri Farm Bureau; Brent Hoerr, Missouri Corn Growers Association; John Truesdell, Randolph County; Missouri Pork Association; Missouri Soybean Association; Donald W. Shaw; Marilyn O'bannon; Wiley Hibbard; Paul Agathen, Missouri Landowners Alliance; Missouri Cattlemen's Association; and Ron Staggs.

OPPOSERS: Those who oppose the bill say that the project it prevents will generate \$12.8 million in immediate tax revenue and create jobs. It will also result in about \$7 million in property taxes to Missouri political subdivisions per year. The Missouri Public Service Commission has considered the matter for five years and crafted a reasonable certificate grant that is conditioned on land reclamation and a fund to provide for removal of any infrastructure if needed. Approximately 500 megawatts of power will be sold to Missouri municipal utilities and then to end users at very low cost and many small communities would save significant money on electricity.

Testifying against the bill were Rodney Bourne P.E., Rolla Municipal Utilities; Richard C. Shockley, City Of Lebanon; Russ Worsley, City Of Lamar; Nici Wilson, City Of Odessa, Missouri; Johnathan Wallace, Higginsville Municipal Utilities; Missouri Association of Municipal Utilities; Dennis Klusmeyer, City of

Shelbina; Duncan Kincheloe, Missouri Joint Municipal Electric Utility Commission; Donna R. Inglis; Mark Petty, City Of Kirkwood; Bill Boelsen, Carroll County; Jeff Bergstrom, City Of Marshall-Municipal Utilities; Heath Hall, City Of Hannibal- Board Of Public Works; Stephan Franke; Nicole Luckey, Invenergy LLC; Peggy A. Whipple, Missouri Public Utility Alliance and Healy Law Offices; and Missouri American Federation of Labor-Congress of Industrial Organizations.

OTHERS: Others testifying on the bill say they will provide full report on current legal cases involving the commission's issuance of a certificate of convenience and necessity to build DC current high voltage power lines. Currently, the Missouri Supreme Court has indicated that the commission has power to make such decisions and the commission has allowed high voltage AC current lines to traverse the state in the past. These lines do not provide power to Missouri consumers, but transport electricity to other states.

Testifying on the bill were Missouri Public Service Commission and Natelle Dietrich, Public Service Commission.