

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2815H.01I
Bill No.: HB 1263
Subject: Energy; Utilities; Aircraft and Airports
Type: Original
Date: March 4, 2025

Bill Summary: This proposal requires wind energy systems to apply to the Federal Aviation Administration (FFA) for light-mitigating technology.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2026 | FY 2027 | FY 2028 |
| | | | |
| | | | |
| Total Estimated Net Effect on General Revenue* | \$0 | \$0 | \$0 |

***Oversight** assumes this proposal could increase utility costs to state departments and local governments if rate changes are made as a result of these new standards. Oversight assumes this would have an indirect impact and therefore will not show the impact in the fiscal note.

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2026 | FY 2027 | FY 2028 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2026 | FY 2027 | FY 2028 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2026 | FY 2027 | FY 2028 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2026 | FY 2027 | FY 2028 |
| | | | |
| | | | |
| Local Government* | \$0 | \$0 | \$0 |

***Oversight** assumes this proposal could increase utility costs to state departments and local governments if rate changes are made as a result of these new standards. Oversight assumes this would have an indirect impact and therefore will not show the impact in the fiscal note.

FISCAL ANALYSIS

ASSUMPTION

Section 393.2600 - Requires wind energy systems to apply to the FAA for light-mitigating technology

Officials from the **Office of Administration - Facilities Management, Design and Construction (FMDC)** assumed that this bill could increase utility costs to all state departments and local governments if rate changes are made. Without additional information, FMDC is unable to accurately calculate the impact of this bill; therefore, the impact is \$0 to unknown.

Upon further inquiry, FMDC notes Section 393.2600.6 states any costs associated with the installation, implementation, operation, and maintenance of a light-mitigating technology system shall be the responsibility of the developer, owner, or operator of the wind energy conversion system. Based on this language, it was believed that costs for the system paid by the “developer, owner, or operator” could potentially increase costs for consumers.

Oversight assumes this proposal could increase utility costs to state departments and local governments if rate changes are made as a result of these new standards. Oversight assumes this would have an indirect impact and therefore will not show the impact in the fiscal note.

Officials from the **Department of Natural Resources (DNR)** state that there will be no fiscal impact to DNR.

Upon further inquiry, the Department of Energy estimates that there are 1,108 wind turbines operating in Missouri at 18 facilities [US Wind Turbine Database Viewer](#). DNR does not have a way to estimate how many might be planned to be installed after August 28, 2025; but it may be possible to estimate whether the regulated utilities are planning any through the Integrated Resource Plans that they submit to PSC.

DNR also states that the expected capacity for Ameren between 2026 and 2035 is 2,000 MW, but unclear where that will be & cannot say how many turbines that would equal.

Officials from the **Department of Commerce and Insurance, Missouri Department of Conservation** and the **Missouri Department of Transportation** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Morgan County PWSD #2** state that this has no impact since the district is a small public utility company.

Officials from the **City of Kansas City**, the **Metropolitan St. Louis Sewer District - 7B Sewer**, the **Osceola Water/Wastewater**, the **South River Drainage District - 7D Levee**, and the

Wayne County PWSD #2 each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes Section 393.2600.6 states any costs associated with the installation, implementation, operation, and maintenance of a light-mitigating technology system shall be the responsibility of the developer, owner, or operator of the wind energy conversion system. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other local agencies were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

| <u>FISCAL IMPACT – State Government</u> | FY 2026 (10 Mo.) | FY 2027 | FY 2028 |
|---|---------------------|------------|------------|
| | | | |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| | | | |

| <u>FISCAL IMPACT – Local Government</u> | FY 2026 (10 Mo.) | FY 2027 | FY 2028 |
|---|---------------------|------------|------------|
| | | | |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| | | | |

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

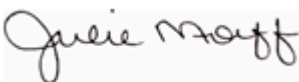
FISCAL DESCRIPTION

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 Commerce and Insurance
Department of Natural Resources
Missouri Department of Conservation
Missouri Department of Transportation
Office of Administration
City of Kansas City
Metropolitan St. Louis Sewer District - 7B Sewer
Morgan County PWSD #2
Osceola Water/Wastewater
South River Drainage District - 7D Levee
Wayne County PWSD #2



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March 4, 2025



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