

HCS HBs 2762, 2816 & 2402 -- SOLAR ENERGY PROJECTS

SPONSOR: Banderman

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Utilities by a vote of 16 to 3.

The following is a summary of the House Committee Substitute for HBs 2762, 2816 & 2402.

Beginning August 28, 2026, for purposes of assessing all real property, excluding land, or tangible personal property associated with a project that uses solar energy directly to generate electricity, the tax liability will be equal to \$4,000 per megawatt of nameplate capacity. All land associated with the project that uses solar energy to generate electricity, except for land used as setbacks or undeveloped, will be assessed as commercial property.

As specified in this bill, if any public utility company has ownership of any real or personal property associated with a project which uses solar or wind energy directly to generate electricity, such solar or wind energy project property will be valued and taxed by any local authorities having jurisdiction.

Beginning January 1, 2027, for any public utility company that has a solar energy project, such solar energy project must be assessed with any solar energy property of such company assessed upon the county assessor's local tax rolls, and all other real property, excluding land, or personal property related to the solar energy project assessed using the methodology as specified in the bill.

For all solar energy projects built on or after January 1, 2027, the project will be subject to certain setbacks, specified in the bill, from adjacent property and the property line.

A solar energy company must secure all property rights or easements necessary for transmission and interconnection to the electrical grid prior to construction of a solar energy project.

A solar energy project must provide written notice to the county before the start of construction, file a decommissioning plan with the county, and prior to construction, secure a bond in the amount of decommissioning the project and reclaiming the land as required in the bill.

The bill also prohibits the use of eminent domain by electrical corporations for the construction or erection of any plant, tower, panel, or facility that:

- (1) Uses, captures, or converts wind or air currents to generate or manufacture electricity; or
- (2) Uses, captures, or converts the light or heat generated by the sun to generate or manufacture electricity.

The bill specifies that the authority of any corporation to condemn property must extend to the acquisition of rights needed to construct, operate, and maintain the collection, distribution, communication, and transmission lines, substations, switchyards and other facilities needed to collect and deliver energy generated or manufactured by solar or wind facilities.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that this bill would give solar developers long term clarity with reasonable requirements for facilities that protect area landowners. It will also provide consistent statewide rules for taxation of such facilities.

Testifying in person for the bill were Representative Banderman; Azimuth Renewables, LLC; Laura Stinson; Clean Grid Alliance; Missouri Farm Bureau; and Renew Missouri.

OPPOSERS: Those who oppose the bill say that the provisions relating to the dissolution of a water district lowers the involvement of the district residents. The bill would allow the board to lower the threshold needed to sell, which reduces the voting power of the customers.

Testifying in person against the bill were Association Of Water Districts; Tenaska; Missouri Rural Water Association; and Armormine.

OTHERS: Others testifying on the bill say the bill includes requirements for solar facilities to protect adjacent landowners and counties but that the provisions are not strict enough. The setbacks and the tax liability should be higher. The facilities are a safety risk and the local emergency services need to be trained to handle emergencies involving solar energy facilities.

Testifying in person on the bill were John R. Burns; Cody Holt; Missouri Solar Energy Industries Association (MOSEIA); Mark C. Taylor; Susan Burns, Mid Missouri Landowners Alliance LLC; and Ameren Missouri.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.