

HB 2762 -- UTILITIES

SPONSOR: Banderman

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 \$2500 per megawatt of nameplate capacity. All land associated with the project that used solar energy 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.

Currently, a decree of dissolution to dissolve a public water supply must be passed by a majority of two-thirds of the voters of the district voting on the proposition. This bill reduces the percentage of voters needed to pass the dissolution decree to a majority of four-sevenths of the voters.

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.

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.

Finally, this bill prohibits a new "Wind Energy Conversion System", as defined in the bill, from beginning commercial operations after August 28, 2026, unless that developer, owner, or operator applies to the Federal Aviation Administration (FAA) for installation of a light-mitigating technology system. If the installation is approved by the FAA, the developer, owner, or operator of such wind energy conversion system must install the

light-mitigating technology system on approved turbines within 24 months of approval.

Before August 28, 2031, any developer, owner, or operator of a commercial wind energy conversion system without a light-mitigating technology system must apply to the FAA for installation and operation of a system. If the installation is approved by the FAA, the developer, owner, or operator must install the system on approved turbines within 24 months of approval.

Any vendor selected for installation of a light-mitigating technology system must provide to the Department of Natural Resources notice of the progress of the installation of the system. If the installation is delayed beyond the 24-month requirement, the vendor must provide notice to the Department at least every three months, with an update on the reasons for the delay and current status of installation. Any costs associated with the installation, implementation, operation, and maintenance of the system must be the responsibility of the developer, owner, or operator of the wind energy conversion system.

Any developer, owner, or operator approved to install a light-mitigating system, but does not, is liable for a fine of \$5,000 per day, per turbine, until the system is installed.

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.

This bill is similar to HCS#2 HBs 440 & 1160(2025).