

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 1394

PRINTER'S NO. 4467

AMOUNT

No Fiscal Impact

FUND

General

DATE INTRODUCED

April 30, 2009

PRIME SPONSOR

Representative Houghton

HISTORY OF BILL

Referred to AGRICULTURE AND RURAL AFFAIRS, April 30, 2009

Reported as amended, June 9, 2009

First consideration, June 9, 2009

Re-committed to RULES, June 9, 2009

Re-reported as committed, June 15, 2009

Re-committed to APPROPRIATIONS, June 15, 2009

Re-reported as committed, June 17, 2009

Second consideration, with amendments, June 17, 2009

(Remarks see House Journal Page 1125-1128), June 17, 2009

Third consideration and final passage, June 23, 2009 (193-0)

In the Senate

Referred to AGRICULTURE AND RURAL AFFAIRS, June 26, 2009

Reported as amended, June 30, 2010

First consideration, June 30, 2010

Laid on the table, July 3, 2010

Removed from table, Sept. 20, 2010

Second consideration, Sept. 21, 2010

Re-referred to APPROPRIATIONS, Sept. 21, 2010

Re-reported as amended, Oct. 12, 2010

DESCRIPTION AND PURPOSE OF BILL

House Bill 1394 amends the Pennsylvania Farmland and Forestland Assessment Act (Clean and Green) to address roll-back tax consequences if land under preferential assessment is leased for wind power generation or utilized for the development and operation of alternative energy systems for farm use.

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The bill provides that a property subject to preferential assessment could be leased for wind power generation systems. Roll-back taxes will apply only to the land devoted to a wind power generation system and appurtenant structures.

The bill provides that development and operation of a Tier I alternative energy generation system on any land use category of Clean and Green land will continue to qualify for preferential assessment, provided that more than half of the energy annually generated is used on the land for production of an agricultural commodity or for buildings on the farmstead land. Tier I energy sources are those defined in the Alternative Energy Portfolio Standards Act. They include: 1) solar photovoltaic and solar thermal energy; 2) wind power; 3) Low-impact hydropower; 4) Geothermal energy; 5) biologically derived methane gas; 6) fuel cells; 7) biomass energy; and, 8) coal mine methane.

The bill provides a mechanism to voluntarily remove land from preferential assessment upon payment of any due roll-back taxes.

The bill is scheduled to take effect immediately.

FISCAL IMPACT:

The enactment of House Bill 1394 will have no adverse fiscal impact on Commonwealth funds. By eliminating the roll-back tax consequences to land owners enrolled in the Clean and Green, the Commonwealth may generate additional revenue from wind power generation projects and other alternative energy activities.