

# FISCAL NOTE

May 9, 2022

<b>Bill No:</b>	SB 284	<b>Printer's No:</b>	1578	<b>Sponsor:</b>	Yaw
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### COST / (SAVINGS)

<b>Fund (s)</b>	<b>2021-22</b>	<b>2022-23</b>
General Fund		\$103,393.50

**SUMMARY:** SB 284 amends Title 27 (Environmental Resources) providing for bonding and decommissioning of solar energy projects.

**ANALYSIS:** This bill requires solar energy facility agreements to include that the owner of a solar energy facility on leased property is responsible for decommissioning the project no later than 18 months after the facility has ceased producing electricity except if there is active work to recommence production of electricity.

SB 284 provides that the owner shall provide a decommission plan, submit proof of financial assurance (such as a bond or letter of credit) to the county recorder of deeds, and provide notice to the surface property owner that they are leasing the land from. If the owner does not fulfill its obligations, the financial assurance shall be made payable to the surface property owner. The amount of financial assurance shall be equal to the estimated cost to decommission the solar energy facility. The bill further provides for updating the financial assurances and benchmarks that the owner of the solar energy facility shall meet, as well as what happens when a facility is transferred to a new owner.

This bill requires the Department of Environmental Protection (DEP) to develop a standard form for a decommissioning plan and financial assurance to be filed with the county recorder of deeds, as well as develop temporary (within 180 days) and final (within two years) regulations.

Solar energy facilities will have to attest to compliance with the Uyghur Forced Labor Prevention Act or any other federal law that restricts the import or use of goods manufactured wholly or in part with forced labor.

The section of the bill that requires DEP to promulgate regulations and develop a form shall take effect immediately, with the rest of the bill's provisions taking effect in 180 days.

**FISCAL IMPACT:** DEP would require one additional Pay Grade 9 full-time employee at an annual cost of \$103,393.50 for salary and benefits.