

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Revenue

Fiscal: Has minimal fiscal impact

Revenue: Revenue impact issued

Action Date:

Action:

Meeting Dates: 04/07

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WHAT THE MEASURE DOES:

Moves the sunset dates for the conservation, renewable energy, and transportation tax credits from January 1, 2018 to January 1, 2022. Modifies the conservation program by requiring owners of projects with a cost of at least \$1 million to enter into a performance agreement and receive annual recertification. Requires information to be included in the recertification application. Allows the Department of Energy to inspect such projects. Applies to certifications submitted on or after September 1, 2015 and to tax year 2015 and later.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

-A2 Removes the sunset extension FISCAL: Has minimal fiscal impact REVENUE: No revenue impact

BACKGROUND:

In 2011 the Legislature divided the Business Energy Tax Credit program into four distinct tax credits. Three of those tax credits have become known as the Energy Incentives Program continuing policies related to conservation, transportation, and renewable energy. Tax credits are allowed for energy conservation projects (up to a total of \$28 million per biennium) and transportation projects (up to a total of \$20 million per biennium). Up to \$3 million in tax credits are sold each biennium to fund renewable energy projects.