



131st MAINE LEGISLATURE

LD 1531

LR 1885(02)

Resolve, to Implement a 4-year Moratorium on Solar Energy Subsidies and Direct the Department of Environmental Protection to Study the Economic Impact of Industrial Solar Energy Projects

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Energy, Utilities and Technology

Fiscal Note Required: Yes

Fiscal Note

Possible loss of Federal Funds
Possible Constitutional Conflict

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Appropriations/Allocations				
Other Special Revenue Funds	\$203,740	\$0	\$0	\$0
Revenue				
Other Special Revenue Funds	\$203,740	\$0	\$0	\$0

Fiscal Detail and Notes

This bill imposes a 4-year moratorium on subsidies or assistance provided or disbursed by an agency, department, bureau, office, or independent governmental unit of the State to a private person for the purpose of researching, developing, implementing, constructing or supporting a solar energy project. Currently, no state subsidies are provided for solar energy projects. However, delays in the disbursement of federal funds allocated to the State for solar energy projects due to the moratorium could result in these funds being forfeited to the federal government and affect the State's ability to access future federal funding opportunities within those federal programs.

The bill prohibits the State from providing solar energy property equipment tax exemptions to taxpayers in the unorganized territories during the moratorium period. Taxpayers in municipalities would not be subject to the same restrictions, which may be in conflict with the Maine Constitution's Article IX, section 8, regarding the equal assessment of real and personal estate taxes.

The bill also directs the Public Utilities Commission (PUC) to conduct an economic impact study of industrial solar energy projects in the State. It includes a one-time allocation of \$203,740 in fiscal year 2023-24 to the PUC for contracted consulting services to complete an economic impact study. The PUC is funded by an assessment set to produce sufficient revenue for any expenditures allocated by the Legislature for operating the PUC. The increased allocations in this bill require a corresponding increase in revenue from the assessment on transmission and distribution utilities.