

STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

Fiscal: Has minimal fiscal impact

Revenue: No Revenue Impact

Action Date: 06/09/15

Action: Do Pass The B-Eng Bill.

Meeting Dates: 06/09

Vote:

Yeas: 4 - Baertschiger Jr, Boquist, Hass, Riley

Exc: 1 - Edwards

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WHAT THE MEASURE DOES:

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:

- The ability of the Department of Energy to enforce performance agreements
- The Department of Energy fee process

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

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.