

FISCAL NOTE

The fiscal impact, in the form of decreased General Fund expenditures, is indeterminable.

The Department of Environmental Quality indicates this bill will result in a decrease of General Fund expenditures in the form of impact assistance payments to impacted communities.

Under current law, the maximum percentage used to determine impact assistance payments is 2.76% for jurisdictional projects with construction costs in excess of \$231 million, other than wind and solar projects.

This bill modifies the maximum percentage used to determine impact assistance payments from 2.76% to an amount between 1.5% and 2.55% depending on the estimated construction material cost of the project. If a project's estimated construction material cost is \$350 million or less, the maximum percentage is 2.25%, unless the Industrial Siting Council (ISC) believes the project will require additional mitigation, in which the ISC can increase the percentage up to 2.55%. If the construction material cost is greater than \$350 million but less than \$850 million, the maximum percentage is 2.00%. If the cost is \$850 million or greater, the maximum percentage is 1.5%

This bill shall only apply to impact assistance payments for industrial facilities approved on or after the effective date of July 1, 2021.

Prepared by: Leanne Hoag, LSO Phone: 777-7881
(Information provided by Terri Lucero, Department of Revenue, 777-5220;
Todd Parfitt and Luke Esch, Dept. of Environmental Quality, 777-7192)