

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6107**

**BILL NUMBER:** HB 1128

**NOTE PREPARED:** May 2, 2011

**BILL AMENDED:** Apr 29, 2011

**SUBJECT:** Renewable Energy Resources

**FIRST AUTHOR:** Rep. Koch

**FIRST SPONSOR:** Sen. Gard

**BILL STATUS:** Enrolled

**FUNDS AFFECTED:**  GENERAL  
 DEDICATED  
 FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that the following qualify as a renewable energy resources for purposes of the statute that provides financial incentives for clean coal and energy projects: (1) Certain resources that qualify as clean energy resources for purposes of the statute governing the voluntary clean energy portfolio standard program .(2) Low temperature, oxygen starved gasification of municipal solid waste. (3) Methane recovered from landfills for the production of electricity.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** *State and Local Government Utility Expenditures:* This bill could increase expenditures by state and local governments for utilities. It is estimated that the amendment to the definition of renewable energy resources will increase the number of utilities that are eligible for the incentives provided for implementing that type of technology, and therefore allow more utilities to adjust rates and recover costs for such technology.

**Explanation of State Revenues:** *Utility Rate Increases:* To the extent that this bill increases utility rates, there could be an increase in Utility Receipts Tax (URT), Utility Services Use Tax (USUT), and Sales Tax collections. The amount of any increase is indeterminable and will ultimately depend on rate adjustments allowed by the IURC for cost recovery.

**Explanation of Local Expenditures:** See *Explanation of State Expenditures*.

**Explanation of Local Revenues:**

**State Agencies Affected:** IURC; All.

**Local Agencies Affected:** All.

**Information Sources:**

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