

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0296-01  
Bill No.: HB 42  
Subject: Energy; Environmental Protections; Education, Elementary and Secondary; Public Service Commission  
Type: Original  
Date: March 7, 2011

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Bill Summary: This proposal requires an electrical corporation to pay a surcharge of one-tenth of one cent per kilowatt hours on all nuclear energy produced in the state and sold out of its service territory.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	\$0	\$0	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Local Government</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

**FISCAL ANALYSIS**

ASSUMPTION

Officials from the **Office of Administration - Division of Budget and Planning (BAP)** assume this proposed legislation should not result in additional costs or savings to BAP. The proposal will increase Total State Revenue and 18E calculations. BAP defers to the PSC to provide an estimate of the fiscal impact.

Officials from the **Department of Natural Resources (DNR)** state this proposal does not assign any direct duty or responsibility to DNR and therefore, no direct fiscal impact to DNR - Division of Energy would be anticipated.

Officials from the **Office of State Treasurer** state there would be no fiscal impact to their agency as a result of this proposed legislation.

Officials from the **Department of Elementary and Secondary Education** state that their agency has no means to calculate the potential funds resulting from the surcharge and defer to another agency regarding this amount. Per the proposal, the surcharge may be recoverable by the electrical corporation through the normal rate making procedures. Any money received would be placed in a special fund and distributed to school districts within the ten-mile emergency planning zone to be used for nuclear emergency preparedness and planning and hazard mitigation, as determined by the school district receiving the money.

Officials from the **Department of Economic Development - Public Service Commission (PSC)** and **Office of Public Counsel** state this proposal will have no fiscal impact on their respective divisions.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
<b>GENERAL REVENUE FUND</b>			
<u>Income</u> - surcharge	Unknown	Unknown	Unknown
<u>Cost</u> - distribution to school districts	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
<b>LOCAL SCHOOL DISTRICT FUNDS</b>			
<u>Income</u> - school districts	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICT FUNDS</b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill requires an electrical corporation to pay a surcharge of one-tenth of one cent per kilowatt hour on all nuclear energy produced in the state and sold out of its service territory. The moneys received from the surcharge must be deposited into a special account in the General Revenue Fund to be distributed to the school districts within the 10-mile emergency planning zone as specified by the Federal Emergency Management Agency and used for nuclear emergency preparedness and planning and hazard mitigation. Distributions will be based on the percentage of land each district has within the zone. The bill allows the corporation to recover the cost of the surcharge through normal rate-making procedures.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development  
    Public Service Commission  
    Office of Public Council  
Office of Administration  
    Division of Budget and Planning  
Department of Elementary and Secondary Education  
Office of State Treasurer  
Department of Natural Resources



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