Department of Planning and Budget
2019 Fiscal Impact Statement

1. **Bill Number:** SB1091

House of Origin	☐ Introduced	☒ Substitute	☐ Engrossed
Second House	☐ In Committee	☐ Substitute	☐ Enrolled

2. **Patron:** Reeves

3. **Committee:** Finance

4. **Title:** Solar photovoltaic systems; bonding requirement, property tax exemption.

5. **Summary:** Requires the local legislative approval process or condition of approval of a site plan, that any locality shall require an owner, lessee, or developer of real property to enter into a written agreement to decommission solar energy equipment, facilities, or devices (i) if the party that enters into such written agreement with the locality defaults in the obligation to decommission such equipment, facilities, or devices in the timeframe set out in such agreement, the locality has the right to enter the real property of the record title owner of such property without further consent of such owner and to engage in decommissioning, and (ii) such owner, lessee, or developer provides financial assurance of such performance to the locality in the form of certified funds, cash escrow, bond, letter of credit, or parent guarantee, based upon an estimate of a professional engineer licensed in the Commonwealth, who is engaged by the applicant, with experience in preparing decommissioning estimates and approved by the locality; such estimate shall not exceed the total of the projected cost of decommissioning, which may include the net salvage value of such equipment, facilities, or devices, plus a reasonable allowance for estimated administrative costs related to a default of the owner, lessee, or developer, and an annual inflation factor.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** Preliminary. See Item 8.

8. **Fiscal Implications:** It is anticipated that this bill will not have a state fiscal impact. The fiscal impact to localities is indeterminate.

9. **Specific Agency or Political Subdivisions Affected:** Localities.

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** None.