SB 879

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Path to full text: https://www.senate.mo.gov/26info/pdf-bill/intro/SB879.pdf

PART 1 – SNAPSHOT (WITH UPDATED POSITION)

1.1 One-paragraph overview

SB 879 is an "electric utilities" package that does two big things at once:

1. It **tightens local control and protections** around large solar projects (county permits, setbacks, decommissioning bonds, cropland caps, no eminent domain for generation plants, PSC rules for transmission on ag land).
2. It **locks in a very favorable, special tax regime for utility-scale solar**, and preserves their access to abatements and commercial classification for land.

Given Act for Missouri's position that **wind and solar power plants are fundamentally poor investments for Missouri—land-hungry, unreliable, and certainly our tax payers should not be subsidizing—any bill that builds in tax breaks or structural concessions for these projects is an automatic NO**, regardless of the "good" guardrails it also adds.

Bottom line:

- SB 879 contains some *good restrictions* (local control, cropland cap, setbacks, decommissioning, ED limits for generation plants).
- But it also **bakes in a long-term, statutory tax break and favorable classification for solar projects** and clearly treats large solar build-out as a policy goal.
- Act for Missouri is OPPOSED to **SB 879.**

PART 2 – PROVISION INVENTORY / CHECKLIST

This section simply **lists what's in the bill**, section by section, so nothing is "hidden in the fine print." We will flag which ones meaningfully touch wind/solar projects.

2.1 Title & Structure

- **Title / Enacting Clause**
    - Repeals **§137.100, §153.030, §153.034, and §523.010, RSMo**, and enacts in lieu thereof **eight new sections**:
        - **§67.5350** (new) – Solar farm county permitting.
        - **§137.100** (amended) – Property tax exemptions.
        - **§137.124** (new) – Solar project property-tax formula.
        - **§153.030** (amended) – Utility property taxation.
        - **§153.034** (amended) – Distributable vs local property; special treatment for wind/solar and Chapter 100 projects.
        - **§393.172** (new) – PSC rules for transmission on ag land.
        - **§393.1120** (new) – Cropland cap, setbacks, and easement requirements for solar energy projects.
        - **§523.010** (amended) – Eminent domain powers and limits (including wind/solar).
    - Includes **Section B – emergency clause** for §67.5350.

2.2 §67.5350 – County permitting for "solar farms" (NEW)

This is the **county solar-farm permit framework**. All subsections:

1. **Definitions**
    - **"Material amendment"** – any amendment to a county-issued solar farm permit that:
        - Changes the facility's generation type to a different kind of utility facility.
        - Increases nameplate capacity.
        - Changes boundaries of the solar farm, *unless* new boundaries are fully inside the old ones or any components outside are underground.
    - **"Solar farm"** – group of interconnected PV panels/arrays that:
        - Convert sunlight into electricity
        - Primarily for wholesale or retail sale
        - Includes on-site operational equipment (collection and transmission lines, storage, transformers, substations, O&M facilities, etc.)
        - Must cover **at least 20 continuous acres**.

2. **PSC sequence requirement**
    - Before getting a **certificate of public convenience and necessity (CPCN)** from the PSC, any person building a solar farm must **first apply to the county commission** in each affected county.
3. **County permit requirement**
    - County commission **must adopt an order/ordinance** requiring a permit for construction of a solar farm within specified boundaries in unincorporated areas.
    - The permit **must include minimum siting requirements**:
        - ≥ **1,000 feet** from:
            - Any church
            - Any school
            - Any city/town/village limit
            - Any private residence or residential property (including nursing homes, senior living).
        - ≥ **300 feet** from other property lines not covered above.
        - ≥ **250 feet** from any public road.
4. **Noise requirement**
    - Permit must require **noise levels not to exceed 45 dB** at any property line.
5. **Public meeting & notice**
    - Within **90 days** of receiving an application, county commission must hold a **public meeting** before issuing the permit.
    - **Notice** at least **14 days** before the meeting.
    - Applicant must provide in writing:
        - Maximum nameplate capacity.
        - Fire-safety measures.
        - Geographic area and acres.
        - Owner/operator contact information.
        - Notice that county will accept written public comments for **30 days**.
        - Address of county commission office.
6. **County decision deadline**

- Within **90 days after the public meeting**, county must:
    - (1) Issue permit as proposed, **or**
    - (2) Issue permit with **reduced boundaries** (still within applicant's original proposed area), **or**
    - (3) Deny the permit and prohibit construction.

7. **Material amendments**
    - If a permit-holder intends to make a **material amendment**, they must submit a **new application**.
8. **Liability insurance**
    - County must require permittees to carry **liability insurance** sufficient to cover damages arising from construction of the solar farm.
9. **PSC cannot bypass the county**
    - PSC **may not issue a CPCN** to any applicant who **did not receive** a county permit in each county where the solar farm will be located.
10. **Decommissioning plan & bond**
    - County must require a **decommissioning plan** for any proposed solar farm:
        - Remove solar farm equipment within **12 months** after operations cease.
        - Plan must be submitted **before construction**.
        - Decommissioning costs must be calculated by a **Missouri-licensed engineer**.
        - Owner/operator must **post a bond** equal to **125%** of estimated decommissioning cost.
        - Plan must be **updated every 5 years** and re-submitted to the county.

2.3 §137.100 – Property tax exemptions (AMENDED)

This section is the big **property tax exemption list**. SB 879 reenacts the full list (state property, cities, cemeteries, charities, etc.), but the *only substantive change* is to the **solar exemption**:

- Legacy exemption (prior law):
    - "Solar energy systems not held for resale" were explicitly exempt. That blanket exemption is **removed**.
- New language:

    - **"Solar energy systems constructed for exclusive use of a single property may be exempt at the discretion of the assessor."**
- Everything else in §137.100 (exemptions for:
    - State-owned land, city/county property, nonprofit cemeteries, agricultural societies, churches, schools, charitable hospitals, etc.) is basically **restated**.

So, the bill:

- **Eliminates a blanket solar exemption**,
- Replaces it with a **discretionary exemption** for **single-property systems**.

2.4 §137.124 – Solar project property-tax formula (NEW)

All provisions:

1. **Statewide tax formula for solar projects (starting 1/1/2027)**
    - For **all real property (excluding land)** and **tangible personal property** associated with a project that:
        - Uses solar energy directly to generate electricity, **and**
        - Was built or contracted to sell power,
    - The **actual tax liability owed** is set at:
        - **$6,000 per MW of nameplate capacity**,
        - Adjusted annually for inflation using CPI-U, Midwest Region.
2. **Abatements still allowed**
    - The section **explicitly states** it does *not* prohibit:
        - Enhanced Enterprise Zone agreements (§135.950–135.973), or
        - Similar tax-abatement agreements with state or local officials,
    - Nor does it affect existing EEZ agreements.
3. **Land classification for solar projects**
    - Starting **1/1/2027**, land associated with solar-generation projects is:
        - Classified as **subclass (3) real property**
        - Assessed as **commercial**.

This section is the core **tax break/concession** for utility-scale solar.

2.5 §153.030 – Taxation of certain utility properties (AMENDED)

This is the general section on taxes for **bridges, telegraph, telephone, electric, pipeline, express companies**, etc. SB 879 reenacts the entire section but tweaks parts related to:

- How taxes are levied and collected.
- What counts as **"distributable property"** vs. locally assessed property.
- Special treatment for **solar energy projects** and **Chapter 100 generation projects**.

Key provisions (including those unchanged):

1. **Subsection 1** – Subjects to tax:
    - Bridges over state lines and navigable streams with tolls.
    - Real and tangible personal property owned/used/leased/controlled by:
        - Telegraph, telephone, electric power and light companies, electric transmission lines, pipeline companies, express companies.
    - Taxable for state, county, municipal and local purposes.
2. **Subsection 2** – How taxes levied/collected
    - Cross-references procedure similar to how railroad property is taxed (through the state tax commission, etc.).
    - Mostly existing machinery, restated.
3. **Subsections 3–5** – Reporting requirements
    - Authorized officers of covered companies must file detailed reports with the **state tax commission and county clerks** (like railroads).
    - These reports list property, mileage, and other details.
    - Largely restatement of existing utility reporting law.
4. **Subsection 6 (NEW solar piece)**
    - **(1)** For any **public utility company** assessed under this chapter that has a **solar energy project**:
        - The solar energy project shall be assessed using a specific methodology:
            - **(a)** Solar energy property goes on the **county assessor's local tax rolls**.

        - **(b)** All other real property (excluding land) or personal property related to the solar project is assessed using **§137.124's formula** (the $6,000/MW scheme).
    - **(2)** There's a line referencing **§137.123** for wind (existing in law) to parallel this solar treatment.
5. **Subsection 7 (Chapter 100 generation projects)**
    - If a public utility company owns real or personal property associated with a **generation project originally constructed using Chapter 100 industrial development bonds**, then:
        - Upon transfer of ownership to the public utility, that property must be **valued and taxed by local authorities** under chapter 137 and other relevant law.
    - The method prescribed for "distributable" utility property does *not* apply to those assets once they move off Chapter 100 and onto the utility's books.

2.6 §153.034 – Distributable vs local property; wind/solar & Chapter 100 (AMENDED)

This section defines **"distributable property"** and **"local property"** of electric companies, and SB 879 adds explicit treatment for wind and solar.

Key parts:

1. **Subsection 1 – Distributable property**
    - Includes property used **directly in the generation and distribution of electric power**:
        - Boiler and turbine equipment, station equipment, towers, poles, wires, transformers, services and meters, substation equipment/fences, rights-of-way, reactor plant equipment, cooling towers, etc.
2. **Subsection 2 – Local property**
    - Property used by the electric company **not** defined as distributable:
        - Vehicles, construction work in progress, materials/supplies, office furniture/equipment, coal piles and nuclear fuel, land held for future use, workshops, warehouses, office buildings, generating plant structures, communications not used for generation control, roads/railroads/bridges, reservoirs/dams/waterways, and **all generating plant land**.
3. **Subsection 3 – Local taxation of wind/solar projects (NEW / AMENDED)**

- **(1)** Any real or tangible personal property associated with a project that uses **solar or wind energy directly to generate electricity** shall:
    - Be **valued and taxed by local authorities** under chapter 137 and other relevant law.
    - The usual "distributable property" method **does not apply**.
- **(2)** Real/tangible property whose **sole purpose is to support wind generation assets** is included, and examples are listed:
    - Wind chargers, windmills, turbines, towers, inverters, pad mount transformers, power lines, storage directly associated with wind, substations, etc.
- **(3)** Real/tangible property whose **sole purpose is to support solar generation assets** is similarly included and examples listed:
    - Solar panels, mounting racks, inverters, battery packs, power meters, power lines, storage directly associated with solar, substations, etc.

4. **Subsection 4 – Chapter 100 generation projects (NEW)**
    - For any real or tangible personal property associated with a **generation project built under Chapter 100 financing**, once ownership transfers to a public utility:
        - That property must be **valued and taxed locally** under chapter 137.
        - Again, the "distributable" method does *not* apply.

2.7 §393.172 – PSC rules for transmission on agricultural land (NEW)

- By **March 31, 2027**, the **Public Service Commission** must adopt rules applicable to **electrical corporations** that:
    - Require entities constructing an electric **transmission line under §393.170** (for which PSC permission is sought on or after the effective date) to adhere to **standards** for activities on **privately owned agricultural land**.
- Rules must address at minimum:
    - Landowner communication expectations.
    - Structure design/placement.
    - Wet-weather construction and remediation.
    - Agricultural mitigation/restoration practices.
    - Construction-related tree/brush clearing.

- Use and restoration of field entrances and temporary roads.
- Best practices for erosion prevention.

- Standard Missouri rulemaking boilerplate:
  - Rules must comply with **chapter 536** (rulemaking procedures).
  - Non-severability clause: if the General Assembly's review/powers under chapter 536 are held unconstitutional, the rulemaking authority here becomes invalid.

2.8 §393.1120 – County cropland cap, setbacks, and easements for solar energy projects (NEW)

All provisions:

1. **Countywide cropland cap (2%)**
   - Total real property associated with **all solar energy projects in a county** may not exceed **2% of all cropland** in that county, based on the latest USDA Census of Agriculture.
2. **Ability to raise the cap**
   - County commission or authorized governing body may **increase** the 2% cap:
     - By order, ordinance, regulation, or a **vote of county residents**.
3. **Citizen standing to enforce**
   - **Any resident of the county** has standing to sue in circuit court to enforce the 2% cap against a solar energy project developer if they believe the cap has been met.
4. **Setbacks for solar energy projects built on or after 1/1/2027**
   - Solar energy projects built or expanded **on or after January 1, 2027** must comply with setback distances of at least:
     - **1,000 feet** to the nearest property boundary, including a residence, church, or school existing at the time of construction.
   - Exception:
     - These distances do **not** apply to homeowners who sign a **written agreement** with all affected property owners within the setback distance.
   - Grandfather:
     - Does **not** apply to solar energy projects **built and operating at capacity** on or before **December 31, 2026**.

5. **Easements / property rights before construction**
    - Solar energy company must **secure by purchase or contract** all **property rights or easements** necessary for transmission and interconnection to the grid **before construction begins**.

2.9 §523.010 – Eminent domain powers (AMENDED)

This is the general **condemnation / eminent domain** statute for roads, railroads, utilities, pipelines, etc. SB 879 reenacts the whole thing but adds two crucial subsections regarding **wind and solar**.

Key points:

- **Subsections 1–8 (existing law, restated):**
    - Authorizes road, railroad, street railway, telephone, telegraph, electrical corporations, and pipeline/gas corporations to condemn land when necessary for their facilities.
    - Requires filing a petition in circuit court, appointment of commissioners or jury to assess damages, etc.
    - Subsection 8 (already in law) restricts eminent domain for certain merchant transmission projects (Grain Belt type issues).
- **Subsection 9 (NEW – ED ban for generation plants)**
    - For corporations listed in subsection 1, **condemnation authority does *not* extend to**:
        - (1) Construction/erection of any **plant, tower, panel, or facility** that uses wind or air currents to generate electricity.
        - (2) Construction/erection of any **plant, tower, panel, or facility** that uses light/heat from the sun to generate electricity.
    - In plain terms: **no eminent domain for wind or solar generation facilities themselves**.
- **Subsection 10 (NEW – ED still allowed for lines and supporting facilities)**
    - Despite subsection 9, condemnation authority **does extend** to acquisition of rights needed to **construct, operate, and maintain**:
        - Collection lines
        - Distribution lines
        - Transmission lines

- Communications lines
- Substations
- Switchyards
- "Other facilities needed" to **collect and deliver** energy generated by the wind/solar plants to the distribution or transmission grid.

2.10 Section B – Emergency clause

- Declares that **because solar farms being constructed may disrupt adjoining properties**, the enactment of **§67.5350** is an emergency act.
- **Effective immediately upon passage and approval** for that section only.

PART 3 – SUBSTANTIVE ANALYSIS WITH ACT4MO'S WIND/SOLAR POSITION

Act for Missouri position:
Utility-scale wind and solar power plants are **not a good investment for Missouri**. They:

- Take productive farmland out of use,
- Produce less and more intermittently than gas or other firm generation,
- Require subsidies, special tax treatment, and grid contortions.
  Any bill that **grants breaks, concessions, or structural advantages** to such projects is a **hard NO**, even if other portions of the bill add protections or local control.

3.1 Where SB 879 HELPS wind/solar (and is therefore unacceptable)

A. Special tax formula & classification (core concession)

- **§137.124 + §153.030.6 + §153.034.3** together do the following:
  - Set a **fixed tax liability of $6,000/MW** for solar project equipment statewide, indexed to CPI.
  - Allow **continued use of tax abatements** (EEZ, etc.) **on top of** that formula.
  - Classify **solar project land** as commercial property (subclass 3).
  - Ensure that for utilities with solar projects, non-land solar property is assessed under the **favorable formula** rather than normal valuation.
- From Act4MO's standpoint:
  - This is textbook **special treatment and a structural subsidy** for an industry we already consider a **bad investment** for Missouri.

    - It **locks in policy** that makes it easier and more profitable for big solar developers and utilities to spread large solar projects across the state, while **shifting costs** to everyone else.

- **Status under our position:**
    - **Unacceptable "break/concession" – triggers hard NO.**

B. Normalization and integration of wind/solar into utility tax structures

- **§153.034.3**:
    - Carefully catalogs **wind and solar equipment** as a recognized category of utility property, with its own taxation framework.
    - It's not just neutral bookkeeping; it's a **policy choice** to structure the tax law to accommodate and normalize large wind/solar assets.
- **§137.100**:
    - While it removes the blanket exemption for solar "not held for resale," it also provides a **discretionary exemption** for solar systems on single properties. That's **another carve-out**, albeit smaller.
- Given your view that **wind/solar generation is not something Missouri should be nudged toward**, these are **not "neutral" clean-up moves**; they are part of an architecture to **facilitate and codify green-energy build-out** in the tax code.

C. Cropland cap as a ceiling, not a ban

- **§393.1120**:
    - Capping solar at **2% of cropland** per county **sounds restrictive**, but:
        - It still **permits** utility-scale solar on prime farmland.
        - The cap can be raised **by a simple county commission order/ordinance** (no vote required), which in practice can be driven by developer pressure or lobbyists.
    - From our perspective ("these projects are fundamentally a bad investment and misuse of farm land"), the bill **accepts and formalizes** the idea that:
        - "Up to 2% of cropland (or more, if commissioners agree) is fair game for solar."
    - So even though it offers **some guardrails**, it **still ratifies the basic strategy** of building solar plants on cropland.

Net: SB 879 treats utility-scale solar as a **desirable, permanent part of Missouri's energy mix** and **paves the way** for its expansion with special tax treatment and a legal framework. That is **directly opposed** to Act for Missouri's position.

3.2 Where SB 879 RESTRICTS or CONTROLS solar/wind (good provisions in a bad package)

A. Local permitting & setbacks for solar farms – §67.5350

- **Positives:**
    - Requires **county permit** before PSC approval.
    - Strong **setbacks** (1,000 ft from residences/churches/schools/city limits; 300 ft from other lines; 250 ft from roads).
    - **Noise limit of 45 dB** at any property line.
    - Public meeting, notice, written info and 30-day comment period.
    - County can **deny** a project entirely.
    - Requires **liability insurance** and **decommissioning bond (125%)** with engineer-certified costs and 5-year updates.
- From Act4MO's standpoint:
    - If this were a **stand-alone "restrict/protect" bill**, it might be something we would support or even help strengthen.
- But in **this bill**, these protections are **bundled with structural subsidies** and a policy architecture designed to **enable** more solar build-out. That makes the bill as a whole **unacceptable**, even though this section is individually good.

B. Cropland cap & extra setbacks – §393.1120

- **Positives:**
    - **2% cropland cap** per county gives residents a basis to **push back** on over-saturation.
    - **Any resident has standing** to sue to enforce the cap.
    - Extra **1,000 ft setbacks** for solar energy projects built or expanded after 1/1/2027, with narrow waiver by written agreement.
    - Forces solar companies to **secure all easements and property rights before construction**, which is good for neighbors.

- Again, as a **restrictive measure**, this aligns with our farmland-protection concerns. But it still **legitimizes and structures the expansion** of solar on cropland. It does not align with a policy of **"we do not want these projects at all and certainly not subsidized."**

C. No eminent domain for wind/solar plants – §523.010.9

- **Positive:**
    - Corporations **cannot condemn land for wind or solar generation facilities themselves**.
    - Developers must negotiate **voluntary agreements** for plant sites.
    - That's a clear win for property rights.

D. BUT: Eminent domain still allowed for lines & related facilities – §523.010.10

- **Concern:**
    - The same corporations **can condemn** property for:
        - Collection lines, distribution lines, transmission lines, communications lines, substations, switchyards, and **"other facilities needed"** to move wind/solar power to the grid.
    - If you **don't want the underlying generation build-out**, this is still a big problem:
        - Landowners can refuse the plant but **still lose land or easements for the new lines** serving those plants.

So: **property-rights protections are good but incomplete**, and they remain in service of a model that still **cements wind/solar into the grid**.

3.3 PSC rules for transmission on agricultural land – §393.172

- **Pros:**
    - PSC must adopt rules aimed at **reducing damage and abuse** when transmission projects cross privately owned agricultural land:
        - Communication expectations, design/placement, wet-weather construction, land restoration, erosion prevention, etc.
- **From Act4MO's vantage point:**
    - Given that long transmission lines are heavily tied to wind/solar build-out, this is a **harm-reduction measure**, not a fundamental fix.

- It's good to have, but again, it lives inside a bill whose **overall thrust** is to **support and normalize** green-energy infrastructure.

3.4 Tax, fairness, and cronyism

Given your view that:

- **Wind and solar plants are bad investments**, and
- **Tax favors for them are unacceptable**,

The tax pieces must be treated as **decisive**:

1. **§137.124 – direct, formula-based tax break**
   - Pins solar project taxes to **$6,000/MW**, not to market value or normal assessment.
   - Lets them stack **abatements on top**.
   - That is a clear **long-term concession** to this industry.
2. **§137.100 – discretionary solar exemption**
   - Even small "single-property" exemptions send the signal that **solar equipment is privileged** versus other capital investments.
3. **§153.030 & §153.034 – integration of wind/solar and Chapter 100 assets into local tax base**
   - Some of this is **good in isolation** (forcing Chapter 100 generation projects onto local tax rolls).
   - But when combined with the **solar-specific formula**, the net effect is to **regularize and protect solar projects inside the tax code**, which is exactly what we do *not* want.

PART 4 – CRITERIA & CONSTITUTIONAL CHECK (SHORT)

Very briefly against your usual criteria:

- **Sanctity of life / preborn children** – Not implicated.
- **Limited, constitutional government** – Mixed:
  - **Positive:** Local permitting power, decommissioning bonds, ED limits for plants.
  - **Negative:** State-mandated special tax formula for favored technology, ongoing abatements, broad ED for supporting facilities.
- **Property rights:**

- Protects against **forced siting of wind/solar plants** themselves, but still allows ED for their lines and infrastructure.

- **Economic fairness/cronyism:**
  - Fails badly. The **special tax formula + abatements** combo is an obvious **sweetheart structure** for large solar developers and utilities.

- **Single-subject / title clarity:**
  - Everything fits under "relating to electric utilities," but the title does **not clearly signal** that it's locking in a statewide tax scheme and cropland allocation policy for solar. Legally, it might pass, but it is not transparent, and we believe any bill that directs two different State boards (PSC and STC) surely shouldn't be considered single-subject.

PART 5 – RED FLAGS & FINAL STANCE

5.1 Key red flags

1. **Hard-wired tax break for solar projects – §137.124 + §153.030.6**
   - Fixed $6,000/MW liability plus inflation indexing and continued abatements.
   - **Directly violates** your "no breaks/concessions" standard.
2. **Formal integration and normalization of wind/solar in utility law – §153.034.3, §137.100**
   - Treats large wind/solar projects as **core, favored components** of the system, rather than something Missouri should move away from.
3. **Cropland cap as a "safe zone," not a prohibition – §393.1120**
   - Accepts that up to 2% (or more) of county cropland going to solar is normal.
   - Can be raised by county commissions under pressure.
4. **Eminent domain retained for lines and facilities – §523.010.10**
   - Even if landowners refuse a plant, they can still be forced to host the **supporting infrastructure**.
5. **Emergency clause – Section B**
   - Prioritizes rapid implementation of the **solar farm permitting system**, signaling urgency for managing a surge of these projects—again, reinforcing that the state is, in practice, **accommodating and organizing solar build-out**, not re-thinking it.

5.2 Could SB 879 be “fixed”?

Realistically, no it can’t be fixed in a way that Act for Missouri could support it. Perhaps, some of the restrictions on green energy plants could be presented as stand-alone legislation.

5.3 Final recommendation

Given Act for Missouri’s explicit stance that **wind and solar power plants are poor investments for Missouri** and that **any tax breaks or concessions for such projects are a hard no**:

Act for Missouri OPPOSES SB 879.

We can (and should) say that **some of its local-control and property-rights pieces are good in isolation**, but **a bill that hard-codes a favorable tax formula and supporting structure for solar projects is not something we can support under any circumstances**.