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## MARK SCHREIBER

**60TH DISTRICT** 

## Testimony in Support of HB 2609

Provided by Rep. Mark Schreiber Before the House Taxation Committee February 15, 2024

Thank you, Chairman Smith and members of the Committee, for allowing me to testify in support of HB 2609. The bill begins the process of standardizing the property tax exemptions for new electric generation and pollution control equipment.

As a little background, the National Electric Reliability Corporation (NERC) is charged with ensuring the effective and efficient reliability of the nation's electric grid. They recently released a report that calls for 83 gigawatts of new generation to be built by 2033. The reason for this much new generation is that several power plants are reaching the end of their operational life, plus there is new demand as manufacturers are onshoring new factories and the expected rise in the use of electric vehicles.

The average time to build new generation is 5-7 years and could be longer depending on the technology. Now is the time to establish a standard exemption for new generation so developers and utilities know the landscape in advance of their planning and building of new generation. The exemption is agnostic as to the fuel or type of generation. We will need a variety of generation in the years ahead, and it would be beneficial to have it built in Kansas.

I do have an amendment which will be offered when the bill is worked, but I will offer a brief explanation now. It provides a 10-year property tax exemption regardless of who is building the generation. HB 2609 adjusted the exemption timelines based on whether the firm building the plant is an independent power producer or a utility. My proposed amendment strikes any difference between who builds the generation and provides the 10-year exemption uniformly across all generation.

Thank you again to testify. I'll stand for questions at the appropriate time.