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## **OLR Bill Analysis**

### **sSB 2**

#### ***AN ACT CONCERNING ELECTRIC CUSTOMER CONSUMER PROTECTION AND CERTAIN SOLAR LIGHTING SYSTEMS.***

#### **SUMMARY:**

This bill limits property tax exemptions for solar thermal (e.g., solar heated water) and geothermal energy systems to the difference between the value of the property with the installed system and the value of the property with only the conventional portion of the system. The term “conventional portion” is undefined, but presumably includes pipes and other conduits that would exist on a property in the absence of such an energy improvement. By law, these property tax exemptions have certain restrictions and apply to (1) single-family and two- to four-unit multifamily residential property, (2) farms, and (3) commercial or industrial property.

The bill also exempts from sales and use taxes the sales, storage, or use of solar indoor lighting systems that combine solar and efficient electric lighting in a common fixture, as well as the machinery, equipment, tools, materials, supply, and fuel used directly to produce, improve or develop this technology.

Finally, the bill requires the Public Utilities Regulatory Authority (PURA) to study the disclosure of electric supplier contract terms on electric customer bills and the feasibility of redesigning the website that provides informational summaries on electric suppliers. The study must include recommendations for additional disclosures by electric suppliers on customer bills and ways to enhance the customer’s ability to compare electric supplier offers and make a purchase directly through the website. PURA must report the findings of the study by January 1, 2015 to the Energy and Technology Committee.

**EFFECTIVE DATE:** Upon passage. Limitations on property tax

exemptions are applicable to assessment years commencing on or after October 1, 2014, and the sales tax exemption is applicable to sales occurring on or after July 1, 2014.

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable Substitute

Yea 23 Nay 0 (03/18/2014)