



Fiscal Note
2nd Sub. H.B. 323 (Gray)
 2026 General Session
 Solar Panel Disposal Amendments
 by Jack, Colin W.



General, Income Tax, and Uniform School Funds

JR4-4-101

| | Ongoing | One-time | Total |
|----------------------------|-----------|----------|-----------|
| Net GF/ITF/USF (rev.-exp.) | \$(1,900) | \$(900) | \$(2,800) |

State Government

UCA 36-12-13(2)(c)

| Revenues | FY 2026 | FY 2027 | FY 2028 |
|---|-----------------|------------------|------------------|
| New Account Created By Bill (FN Only), One-time | \$25,200 | \$271,000 | \$311,000 |
| Total Revenues | \$25,200 | \$271,000 | \$311,000 |

Enactment of this legislation could generate \$25,200 one-time in FY 2026, \$271,000 one-time in FY 2027, and \$311,000 one-time in FY 2028 for the newly created Solar Panel Waste Restricted Account from recycling study assessments and distributed generation fees.

| Expenditures | FY 2026 | FY 2027 | FY 2028 |
|--|-----------------|------------------|------------------|
| State Tax Commission Administrative Charge Account (GFR) | \$0 | \$98,300 | \$98,300 |
| State Tax Commission Administrative Charge Account (GFR), One-time | \$0 | \$800 | \$0 |
| General Fund | \$0 | \$1,900 | \$1,900 |
| General Fund, One-time | \$900 | \$0 | \$0 |
| New Account Created By Bill (FN Only) | \$0 | \$151,000 | \$151,000 |
| New Account Created By Bill (FN Only), One-time | \$25,200 | \$120,000 | \$160,000 |
| Total Expenditures | \$26,100 | \$372,000 | \$411,200 |

Enactment of this legislation could cost the Department of Environmental Quality (DEQ) \$25,200 one-time in FY 2026 and \$271,000 in FY 2027, and \$311,000 in FY 2028 from the newly created Solar Panel Waste Restricted Account to implement a program regulating solar panel waste management and disposal, for database enhancements, and to complete a study on solar panel recycling. Enactment of this legislation could also cost the Department of Government Operations \$900 one-time in FY 2026 and \$1,900 ongoing in FY 2027 from the General Fund to create and monitor a new General Fund restricted account. Finally, enactment of this legislation could cost the Tax Commission \$99,100 one-time in FY 2027 and \$98,300 ongoing beginning in FY 2028 from the State

Tax Commission Administrative Charge Account for staff support, database changes, and process updates to implement a new tax.

| | FY 2026 | FY 2027 | FY 2028 |
|----------------------|-----------------|---------------------|---------------------|
| Net All Funds | <u>\$ (900)</u> | <u>\$ (101,000)</u> | <u>\$ (100,200)</u> |

Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation will require local governments who operate landfills to register with the division as a solar panel waste disposal site in order to accept hazardous solar panel waste.

Individuals & Businesses

UCA 36-12-13(2)(c)

Enactment of this legislation could increase tax liability for renewable energy parent entities by \$120,000 in FY 2027 and \$160,000 in FY 2028 statewide. Assessments will vary based on the entity's total number of generating alternating current nameplate capacity megawatts of wind or solar electric generation facilities that are commercially operational. Enactment could also cost small-scale solar entities statewide \$25,200 one-time in FY 2026 and \$151,000 annually beginning in FY 2027 from paying a distributed generation fee. Finally, enactment of this legislation will require businesses who operate landfills to register with the division as a solar panel waste disposal site in order to accept hazardous solar panel waste.

Regulatory Impact

UCA 36-12-13(2)(d)

Enactment of this legislation could result in a small increase in the regulatory burden for Utah residents or businesses.

Performance Evaluation

JR1-4-601

This bill creates a new program or significantly expands an existing program. For a list of questions lawmakers might ask to improve accountability for the proposed program, please see: <https://budget.utah.gov/newprogram>

Notes on Notes

Fiscal explanations estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal explanation is not an appropriation. The Legislature decides appropriations separately.