

Now our state revenue commissioner, Mr. Fred Herrington, testified to the Revenue Committee about how he would work out the calculation for exempting the increases in valuations. He said it can be done. He said there are plenty of guides to be used right now because there are other states that have similar laws and he has given the authority in this bill by regulation to work out the various factors to be considered in ascertaining precisely how much of an improvement to a parcel of property resulting from the use of an alternate energy conservation source will be exempted from the tax. That, I think, essentially is the bill. The county assessor has no discretion to allow or disallow the exemption because once the State Energy Office has said that the improvement is one that meets its standards, then the county assessor must allow the exemption. The amount of exemption may be subjected to some question and of course appeal procedures are provided just like any other tax exemption process. It is a fairly straightforward piece of legislation. It doesn't cost a lot of money. If fairly conscientiously implements the constitutional amendment that our voters overwhelmingly approved. It adds one additional chip so to speak in terms of the saleability of energy conservation devices. As you and I well know from debates that have occurred on this floor and as you and I well know the kind of readings that we have done over the last several years, the greatest alternate energy source that you and I can develop in this country is energy conservation. That is really what it is and what this bill is doing is it is designed to again to encourage in a very small way, there is not a lot of dollars involved, to encourage in a very small way the decision by a homeowner or anyone else to buy that piece of solar equipment, to put in that passive system, to take these steps and make his or her home more energy efficient. So not only, because we have already provided, not only because we have already provided will that piece of equipment be exempted from the sales tax, but so too, will the improvement to that real estate resulting from that addition be exempted from the real estate tax for a period of five years. And of course, in addition, under federal tax law, so too will some of the cost of that piece of equipment be a credit against one's income tax. So we will have gone about as far as one can reasonably go in providing various credits, exemptions, allowances, and the like to really help people make the kind of decision that you and I know they need to make for us to be far less dependent on foreign oil and far more independent and self-supporting. I would urge the adoption of this bill by the body.

SENATOR CHAMBERS PRESIDING