

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5509S.01I  
 Bill No.: SB 1208  
 Subject: Utilities; Fees; Public Service Commission; Energy  
 Type: Original  
 Date: March 9, 2026

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Bill Summary: This proposal modifies provisions related to net metering.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue – AGO*	(\$207,997)	(\$217,330)	(\$221,045)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$207,997)</b>	<b>(\$217,330)</b>	<b>(\$221,045)</b>

**Oversight** assumes that the net effect is from the 2 FTE requested by the Attorney General’s Office for the enforcement of the Missouri Merchandising Act.

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	2 FTE	2 FTE	2 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>2 FTE</b>	<b>2 FTE</b>	<b>2 FTE</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

**ESTIMATED NET EFFECT ON LOCAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

§386.890 - Modifies provisions related to net metering

Officials from the **Attorney General’s Office (AGO)** assume this proposal will increase personnel costs. One Assistant Attorney General and one Paralegal will be necessary to handle the increased caseload.

**Oversight** notes that the FTE requested by the AGO is for the enforcement of the Missouri Merchandising Act as stated in §386.890.19. Therefore, Oversight will reflect the estimated impact by the AGO in the fiscal note.

Officials from the **Department of Commerce and Insurance, Department of Natural Resources, Missouri Department of Transportation, and Office of Administration** each assume the proposal will have no fiscal impact on their respective organizations.

**Oversight** notes that the above-mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>GENERAL REVENUE</b>			
<u>Cost – AGO (§386.890) p.3</u>			
Personnel Service	(\$108,333)	(\$132,600)	(\$135,252)
Fringe Benefits	(\$69,740)	(\$84,730)	(\$85,793)
Expense and Equipment	(\$29,924)	\$0	\$0
<u>Total Cost – AGO</u>	<u>(\$207,997)</u>	<u>(\$217,330)</u>	<u>(\$221,045)</u>
FTE Change - AGO	2 FTE	2 FTE	2 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(\$207,997)</u></b>	<b><u>(\$217,330)</u></b>	<b><u>(\$221,045)</u></b>
Estimated Net FTE Change to General Revenue	2 FTE	2 FTE	2 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact on small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Under the act, a retail electric supplier shall offer net metering, as defined in the act, to customer-generators pursuant to a Public Service Commission approved tariff of an electrical corporation or contract approved by the governing body of other retail electric supplies under certain options described in the act.

A customer-generator's facility shall be equipped with certain equipment including, but not limited to, necessary electric distribution system upgrades.

If the electricity generated by the customer-generator exceeds the electricity supplied by the supplier during a billing cycle, the customer-generator shall demand charges for the billing cycle. Each qualified electric energy generation unit used by a customer-generator shall be installed, maintained, and repaired in accordance with all applicable industry standards described in current law.

All qualified electric energy generation units utilizing battery backup shall be installed to operate completely isolated from the retail electric supplier's system including all neutral connections and grounding points during times of back up operation. Unless allowed under the provisions of the act, no retail electric supplier shall impose any fee or other requirement as described in current law, except that a retail electric supplier may require that a customer-generator's system contain adequate surge protection, or other accessible device that would allow emergency response personnel to disconnect from the electric distribution system.

Applications by a customer-generator for interconnection of a qualified electric energy generation shall be accompanied by a plan for the customer-generator's electrical generating system and reviewed by a retail electric supplier, unless mutually agreed to. Prior to the interconnection of the qualified electric energy generation to the retail electric supplier's system, the customer-generator will furnish a retail electric supplier a certification from a professional electrician or an engineer deemed qualified by the retail electric supplier. If the professional electrician or engineer is not licensed, the retail electric supplier may require a bond or other form of financial security to ensure the safe installation and operation of the qualified electric energy generation unit.

The estimated generating capacity of all net metering systems shall count for purposes of compliance with any applicable federal law.

Any non-retail electric supplier who sells a qualified electric energy generation unit or who provides a net metering service to a customer-generator under the act shall be subject to certain requirements described in the act.

Provisions of the act shall be enforced by the Attorney General under the Missouri Merchandising Practices Act as described in the act.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office  
Department of Commerce and Insurance  
Department of Natural Resources  
Missouri Department of Transportation  
Office of Administration



Julie Morff  
Director  
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Jessica Harris  
Assistant Director  
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