

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 27, 2023

TO: Honorable Charles Schwertner, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1751 by Kolkhorst (Relating to the regulation and tax treatment of facilities in the ERCOT power region that demand a large load of interruptible power.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Utilities code to define “virtual currency” and “virtual currency mining facility” (VCMF), and to direct the Electric Reliability Council of Texas (ERCOT) to allow VCMFs to participate in an emergency demand response program only if the amount of demand from all VCMFs in the program is less than ten percent of the total load in the program.

Based on the analysis of the Public Utility Commission of Texas, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

The bill would have a positive, but indeterminate, fiscal impact to local taxing jurisdictions other than school districts due to virtual currency mining facilities not being eligible to receive a property tax abatement or limitation, thus limiting the amount of properties that would qualify for future property tax abatements or limitations

Source Agencies: 304 Comptroller of Public Accounts, 473 Public Utility Commission of Texas

LBB Staff: JMc, SZ, GDZ, JBel