

FISCAL NOTE

October 25, 2023

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| Bill No: | HB 1476 | Printer's No: | 2129 | Sponsor: | Vitali |
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COST / (SAVINGS)

| Fund (s) | 2023-24 | 2024-25 |
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| General Fund | See Fiscal Impact | See Fiscal Impact |

SUMMARY: The Cryptocurrency Energy Conservation Act requires crypto-asset mining operations to report information to the Department of Environmental Protection (DEP) and DEP to do an impact study.

ANALYSIS: HB 1476 requires crypto-asset mining operations, no later than six months following the effective date, to submit certain information to DEP such as: the number and location of operations, the number of devices engaged in the operation, amount and source of electricity used in the operation, and emissions and water use associated with the operation.

This information should be reported to DEP before starting operations and will be required to be submitted to the department on an annual basis.

DEP shall prepare a form to report this information that will be available on their website.

No later than one year following the effective date, DEP, in consultation with the Public Utility Commission (PUC) shall issue an impact study on the number and location of crypto-asset mining operations in the Commonwealth, greenhouse gas emissions and pollutants from such operations, impacts on electric energy consumption, ecological and public health impacts, and analysis on energy use and emissions.

The report shall be submitted to the Governor and House and Senate Environmental Resources and Energy Committees no later than one year after the effective date, as well as published on DEP's website.

The Environmental Quality Board shall promulgate regulations as necessary to implement the provision of this legislation.

This act shall take effect immediately.

FISCAL IMPACT: HB 1476, due to DEP's lack of expertise on the content of the report, would require two FTE's at an annual cost of roughly \$300 thousand in salary, benefits, and indirect costs. It would also require them to work closely with PUC, Pennsylvania Game Commission, and the Departments of Health and Conservation and Natural Resources.