

Renewables and Property Rights

Madelyn Smerillo and Delainey Thorud • Dec. 20, 2022

Updated: December 8, 2023

The growth of renewable energy in the last decade has been exponential, with the nine Upper Midwest states in the Midcontinent Independent System Operator (MISO) footprint seeing significant wind and solar capacity increases. In the first nine months of 2023, these states added a combined 2,321 MW of clean power capacity.

As more and more clean energy development has occurred, questions about land use, particularly around solar, are driving a debate about property rights.

What are property rights?

Property rights are legal rights that landowners have regarding their land. Property rights determine how land can be used, bought, and sold, and what others can and cannot do on or around that land. Property rights vary across the nation due to local zoning regulations and other state and federal regulations that may restrict different land uses on a property. Property rights within an area are often related to the suitability of the land to support certain industries and economic activities of the local economy. For instance, in the Midwest, it is common for property owners to have the "Right to Farm" in agricultural districts. However, unless a local area is unzoned, property owners are often subject to local decision-makers' approving their "right" to host wind turbines or solar arrays.

Property rights are often determined and altered according to the needs of industries in the area. For example, Iowa is an agriculturally focused state, producing more corn, pork, and eggs than any other state in the country. For generations, Iowans have made their livelihoods off of farming the state's rich soil, which was made possible by ensuring that landowners had the right to choose how they wanted to farm their land. According to Jim Kusilek, a landowner near ibV Energy Partner's future Maple Grove Solar and Storage Project in Barron County, Wisconsin, members of rural communities accepted that property rights meant that landowners could do whatever they wanted with their land so long as it did not interfere with their neighbors. The idea was "I don't want my neighbor telling me what to do, so I can't tell him what to do." This idea stood strong for agricultural industry needs such as fences, silos, dairy barns, chicken coops, and more, but did not remain true for energy industry needs such as solar panels and wind turbines.

Oftentimes, when a landowner decides they would like to host a wind or solar farm on their property, they face a complex and contentious process to get there. There are federal, state, and local siting procedures, land assessments, taxes and fees, and more that all need to be considered. Despite the challenges they face, there are landowners all across the country fighting for their property rights to even be considered.

Stewards of the Land

Farmers earn their living from their land. Consequently, they are very good stewards of it. Renewable energy provides a variety of benefits to the landowner, the community and the environment as well.

The growth of solar development across the American energy landscape provides opportunities for landowners to preserve -- and enhance -- their land. Many local governments with established ordinances on solar energy require that vegetative groundcover be planted underneath solar panels. According to the National Renewable Energy Laboratory, incorporating native plants and grasses on a solar farm's footprint preserves topsoil and improves soil health over time, even in "brownfield" areas with polluted soils. Converting some land used for farming to solar production also allows the soil to rest, which will improve its fertility if and when it is returned to agricultural purposes.

In addition, the use of ground-cover crops that attract bees and butterflies have been shown to help improve yields of nearby crops. Solar farming also reduces chemical run-off into nearby waterways from pesticides and fertilizers. Some developments are using solar farms for small grazing animals like sheep or goats, which reduces the need for mowing.

Co-locating crops and solar is another option for landowners to diversify their revenue stream. High-value, shade resistant crops such as leafy greens, herbs, beans, and root vegetables all pair well with solar panels. Solar panels can help keep crops and vegetation cooler during the day by providing shade to areas that are normally exposed by intense sunlight. Inversely, they can keep crops warmer at night by retaining heat and sheltering them from the elements. Co-locating crops and solar gives landowners the ability to maintain crop production during solar generation and creates the potential to extend growing seasons for certain crops.

As the land and crop benefits of renewables continue to be revealed and studied, it is important that we let those who know the land the best decide how best to use it. Farmers and ranchers are already stewards of the land, so who better to make decisions about how land is used than the owners themselves?

Financial Stability and Crop Diversity

Solar and wind are cash crops that help farmers and landowners diversify their income portfolio and ensure the reliability of their livelihood. Unlike many agricultural crops in the Midwest, renewables can be harvested all year long. Plus, wind and solar are drought-proof, high-yield land outputs that can produce for decades at a time without expensive inputs like fertilizers, pesticides, and irrigation.

Solar and wind farms not only generate clean, reliable electricity, but they also stimulate the economy. <u>According to the American Clean Power Association</u>, Americans received \$1.6 billion in property, state, and local taxes and \$1.6 billion in land lease payments from clean power projects last year. In the MISO North region alone, <u>over \$94 billion</u> has been invested in clean power projects.

As the industry grows, this source of revenue will increase, supporting local programs and infrastructure for decades to come.

In 2023, clean power projects are generating

\$3.2 billion

in state and local tax revenue and land lease payments.

American Clean Power Association

Renewables also create good-paying jobs for community members, helping local economies thrive. In 2021, more than 734,000 Midwesterners were employed by clean energy companies. Wind energy technicians and solar photovoltaic installers are among the top 15 fastest growing occupations in the

United States, according to the U.S. Bureau of Labor Statistics. Wind energy technician is the <u>fastest growing job</u> and is expected to grow 45% by 2032. Solar photovoltaic installer was the <u>15th fastest growing job</u> and is expected to grow by 22% by 2032. These jobs can also bring families together, drawing younger generations back to rural communities or family farms as opportunities and local amenities increase.

Allowing farmers and landowners to harvest renewables on their own property aligns with our core American value of liberty. When communities can unite in support of solar and wind development, they can enjoy economic stimulation and job creation while preserving their rural way of life.

Achieving Community Goals

Many counties and townships across the Midwest have set goals for renewable development in their communities. When individual farmers and landowners step up to meet them, inhibiting their ability to do so through restrictive ordinances or moratoria is counterproductive.

In Linn County, lowa, for example, community members established a plan to support renewable energy development beginning in 2013. However, the county continues to review large solar energy proposals, potentially voting to deny them. Doing so would not only revoke the right of individuals to make decisions about the land they own, but would work against the goals that the county has set for itself. When local governments establish support for clean energy development, they must allow the community to follow through.

Wind and solar development are another way to ensure rural communities stay rural. One of the greatest threats to farmland is urban sprawl, a type of development that irreversibly takes land out of agriculture. If it is the community's desire to keep the region rural, renewable energy development is a great way to meet this goal, while also providing jobs and economic development to support the community.

When we consider solar and wind as crops, it becomes clear that local governments should not pursue overly-restrictive policies on their development. Zoning ordinances do not limit the growth of specific crops; therefore, they should not inhibit the harvesting of the wind and sun.

Your Land; Your Choice

Farmers and landowners that lease their land for solar or wind developments are making a personal choice. Regardless of whether the decision is based on the desire to help meet the carbon reduction goals of a local community, to fulfill the renewable energy demands of utilities, corporate purchasers and their customers, or simply to diversify their personal income stream, a landowner has the right to make decisions about how their land is used.

Harvesting solar and wind is beneficial to our land, our economy, our values and our communities. To ensure we keep rural America rural, and yet open to economic prosperity for decades to come, property decisions must be left in the hands of landowners.