LEGISLATIVE FISCAL OFFICE
Fiscal Note

Louisiana Legislative Fiscal Office — Fiscal Notes

Fiscal Note On: **SB 185** SLS 21RS 430
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: June 9, 2021 10:09 AM **Author:** ALLAIN
Dept./Agy.: Natural Resources
Subject: Leases of Land for Solar Farms **Analyst:** Patrice Thomas

NATURAL RESOURCES DEPT EN SEE FISC NOTE OF EX See Note

Provides for regulation of leases of land for solar farms. (8/1/21)

Proposed law requires the Department of Natural Resources to provide regulation governing solar leases. Proposed law requires cooperation with landowners, utilities, and agricultural representatives when developing regulations. Proposed law authorizes the rules to provide for minimum requirements for property leases for the exploration, development, and production of solar energy including but not limited to acreage, access, and maintenance of the property during the lease, and decommissioning and final site closure upon the termination of the lease. Proposed law effective 8/01/2021 or until the Department of Natural Resources identifies funding from fees, federal grants, or other sources.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	**$0**
Federal Funds	$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**					**$0**

REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

EXPENDITURE EXPLANATION

Proposed law may increase state governmental expenditures by $217,530 from an unspecified means of finance (reflected as Other or Federal for purposes of this fiscal note) as the result of adding two new positions for oversight of solar leases. The proposed law requires the Department of Natural Resources (DNR) to regulate the production, development, and maintenance of solar leases. According to DNR, the initial development of regulation rules, processes, and procedures will be handled by existing DNR staff and resources. Once the proposed law is implemented, the department anticipates needing two new positions - a Policy Planner 3 ($67,299 salary and $39,241 related benefits) and a Federal Energy Program Manager ($70,647 salary and $40,343 related benefits). At the start of implementation, the department will need the Policy Planner 3 position to assist in establishing the program regulations and requirements ($106,540 salaries and related benefits). Once the solar lease program is fully implemented, the department will need the Energy Program Manager position to coordinate and manage the program ($105,000 salary and related benefits).

The proposed rule delays the implementation of the solar lease program until DNR identifies a funding source from fees, federal grants, or other sources. DNR has indicated that multiple Federal sources possibly could be utilized to fund the two positions required to implement this measure. The department has not received any Federal approval regarding funding. Once a funding source has been identified, total expenditures to implement a solar lease program are as follows: Year 1 - $0; Year 2 - $106,540; Year 3 - $217,530; Year 4 - $221,138; and Year 5 - $225,160. In subsequent fiscal years, this fiscal note assumes a 2% market rate adjustment in salaries and related benefits for the two positions. To the extent the additional workload is less than DNR anticipates, the additional workload may be absorbable, either wholly or partially, using existing staff and resources or may be achievable with fewer than two positions.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate — Dual Referral Rules — House

[x] 13.5.1 >= $100,000 Annual Fiscal Cost {S & H}
[ ] 13.5.2 >= $500,000 Annual Tax or Fee Change {S & H}
[ ] 6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}
[ ] 6.8(G) >= $500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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