HLS 21RS-1380 ORIGINAL

2021 Regular Session

1

HOUSE CONCURRENT RESOLUTION NO. 40

BY REPRESENTATIVE SCHEXNAYDER

ECONOMIC DEVELOPMENT: Directs the Department of Economic Development to suspend certain tax incentives, subsidies, and other public financial support for certain utility scale solar projects

A CONCURRENT RESOLUTION

2	To direct the Department of Economic Development to suspend the Louisiana Industrial Ad
3	Valorem Tax Exemption Program under LAC 13:1 et seq. and any other tax
4	incentives, subsidies, and other public financial support as it relates to utility scale
5	solar projects that are not subject to review and approval by the Louisiana Public
6	Service Commission and the council of the city of New Orleans.
7	WHEREAS, increased solar development activity in Louisiana requires increased
8	leasing of land in Louisiana, which involves private landowners and available farmland; and
9	WHEREAS, the terms and conditions of leases requested by solar developers can
10	provide a significant risk to landowner's future property rights and to future use of available
11	farmland, including but not limited to the responsibilities for equipment removal upon
12	default or termination of a lease; and
13	WHEREAS, because of the lack of historical prevalence, solar leasing has not been
14	provided similar legislative guidance and legal parameters as oil, gas, pipelines, timber, and
15	other types of land use activities in Louisiana; and
16	WHEREAS, solar development speculation and leases of land in Louisiana are
17	increasing to the point of concern for what it might do to long-term stability of both
18	farmland and the electric grid; and
19	WHEREAS, the Louisiana Public Service Commission has an existing process in
20	place for regulated utilities to procure solar resources and other resources under the rules and

1 regulations established by the Louisiana Public Service Commission, which are established 2 to protect Louisiana citizens, ensure grid operations and reliability, and protect the public 3 interest; and 4 WHEREAS, the proliferation of solar resources outside of a structured and regulated planning process can create reliability and stability issues for the electric grid, as seen 5 6 recently in other states during recent extreme weather events; and 7 WHEREAS, Louisiana citizens and businesses would best be served by an orderly 8 and regulated development of solar resources that protects landowners, electric utility 9 customers, and the electric grid; and 10 WHEREAS, solar developers have a history of relying heavily on public subsidies 11 and tax incentives to provide financially viable products and projects; and 12 WHEREAS, there is a need to determine whether the granting of tax incentives or subsidies to proposed solar developments is consistent with good economic and public 13 14 policy. 15 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby direct the Department of Economic Development to suspend LAC 13:1 et seq. and any other 16 17 tax incentives, subsidies, and other public financial support as it relates to utility scale solar 18 projects that are not subject to review and approval by the Louisiana Public Service 19 Commission and the council fo the city of New Orleans. 20 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HCR 40 Original

Department of Economic Development.

21

2021 Regular Session

Schexnayder

Directs the Louisiana Department of Economic Development to suspend the Louisiana Industrial Ad Valorem Tax Exemption Program and other tax incentives, subsidies, and other public financial support relative to certain utility scale solar projects.