

2021 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 40

BY REPRESENTATIVE SCHEXNAYDER

A CONCURRENT RESOLUTION

To urge and request the Department of Economic Development and the State Board of Commerce and Industry to suspend until thirty days after final adjournment of the 2022 Regular Session of the Legislature the Louisiana Industrial Ad Valorem Tax Exemption Program as provided in LAC 13:1 et seq. and any other tax incentives, subsidies, and other public financial support as it relates to utility scale solar projects with advance notifications filed on or after July 1, 2021, that are not undertaken by the Louisiana Energy and Power Authority or a municipal-owned electric system or that are not subject to review and approval by the Louisiana Public Service Commission and the council of the city of New Orleans.

WHEREAS, increased solar development activity in Louisiana requires increased leasing of land in Louisiana, which involves private landowners and available farmland; and

WHEREAS, the terms and conditions of leases requested by solar developers can provide a significant risk to landowner's future property rights and to future use of available farmland, including but not limited to the responsibilities for equipment removal upon default or termination of a lease; and

WHEREAS, because of the lack of historical prevalence, solar leasing has not been provided similar legislative guidance and legal parameters as oil, gas, pipelines, timber, and other types of land use activities in Louisiana; and

WHEREAS, solar development speculation and leases of land in Louisiana are increasing to the point of concern for what it might do to long-term stability of both farmland and the electric grid; and

WHEREAS, the Louisiana Public Service Commission has an existing process in place for regulated utilities to procure solar resources and other resources under the rules and regulations established by the Louisiana Public Service Commission, which are established

1 to protect Louisiana citizens, ensure grid operations and reliability, and protect the public
2 interest; and

3 WHEREAS, the proliferation of solar resources outside of a structured and regulated
4 planning process can create reliability and stability issues for the electric grid, as seen
5 recently in other states during recent extreme weather events; and

6 WHEREAS, Louisiana citizens and businesses would best be served by an orderly
7 and regulated development of solar resources that protects landowners, electric utility
8 customers, and the electric grid; and

9 WHEREAS, solar developers have a history of relying heavily on public subsidies
10 and tax incentives to provide financially viable products and projects; and

11 WHEREAS, there is a need to determine whether the granting of tax incentives or
12 subsidies to proposed solar developments is consistent with good economic and public
13 policy.

14 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
15 urge and request the Department of Economic Development and the State Board of
16 Commerce and Industry to suspend until thirty days after final adjournment of the 2021
17 Regular Session of the Legislature the Louisiana Industrial Ad Valorem Tax Exemption
18 Program as provided in LAC 13:1 et seq. and any other tax incentives, subsidies, and other
19 public financial support as it relates to utility scale solar projects with advance notifications
20 filed on or after July 1, 2021, that are not undertaken by the Louisiana Energy and Power
21 Authority or a municipal-owned electric system or that are not subject to review and
22 approval by the Louisiana Public Service Commission and the council of the city of New
23 Orleans.

24 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
25 secretary of the Department of Economic Development and the chairman of the State Board
26 of Commerce and Industry.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE