

2025 Regular Session

HOUSE BILL NO. 638

BY REPRESENTATIVE COATES

ENERGY/SOLAR: Establishes agricultural conversion fees for large-scale solar development

1 AN ACT

2 To enact R.S. 30:1129, relative to conversion fees for large-scale solar development; to
3 authorize the Department of Agriculture and Forestry to impose fees for the
4 conversion of agricultural resources; to require rule making; to provide for the
5 deposit and use of fees collected; to provide for effectiveness; and to provide for
6 related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 30:1129 is hereby enacted to read as follows:

9 §1129. Conversion fees; agricultural resources

10 A. The Department of Agriculture and Forestry is authorized to impose a fee
11 on solar power generation facilities with a footprint of ten acres or more to help
12 mitigate any loss of agricultural resources pursuant to the letter of clearance process
13 in R.S. 30:1125(A)(4).

14 B. The department, in consultation with the Louisiana State University
15 AgCenter, shall promulgate rules in accordance with the Administrative Procedure
16 Act for the development of a method to charge an annual per acre fee on such solar
17 power generation facilities. The department may use the average yield per acre or
18 any factor deemed necessary to establish a method that can be uniformly applied to
19 any proposed facility in the state. Such method may be commodity-specific,

1 including but not limited to sugarcane, corn, cotton, soybeans, livestock, pasture, and
2 timber.

3 C. In no event shall the fees collected pursuant to this Section exceed the
4 costs to the department to perform the review required by R.S. 30:1125(A)(4) and
5 the costs associated with replacing, or otherwise mitigating the loss of, the
6 agricultural resources being converted for solar development.

7 D.(1) Any fees collected pursuant to this Section, subject to the exceptions
8 contained in Article VII, Section 9 of the Constitution of Louisiana, shall be
9 deposited immediately upon receipt into the state treasury and shall be credited to the
10 Bond Security and Redemption Fund. Out of the funds remaining in the Bond
11 Security and Redemption Fund after a sufficient amount is allocated from that fund
12 to pay all obligations secured by the full faith and credit of the state which become
13 due and payable within any fiscal year, the state treasurer, prior to placing the
14 remaining funds in the state general fund, shall pay an amount equal to the total
15 amount of funds paid into the state treasury under the provisions of this Section into
16 a special fund which is hereby created in the state treasury and designated as the
17 Solar Conversion Fund, hereinafter referred to as the "fund".

18 (2) All unexpended and unencumbered monies in the fund at the end of each
19 fiscal year shall remain in the fund. The treasurer shall invest the monies in the fund
20 in the same manner as monies in the state general fund. All interest earned on
21 monies from the fund invested by the state treasurer shall be deposited in the fund.

22 (3) Subject to appropriation, the monies in the fund shall only be used for the
23 purposes of this Section and R.S. 30:1125(A)(4).

24 Section 2. This Act shall take effect and become operative if and when the Act
25 which originated as House Bill No. 615 of this 2025 Regular Session of the Legislature is
26 enacted and becomes effective.

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)]

HB 638 Original

2025 Regular Session

Coates

Abstract: Authorizes the Dept. of Agriculture and Forestry, in consultation with the LSU AgCenter, to promulgate rules for the imposition of fees for the conversion of agricultural resources for large-scale solar development.

Proposed law authorizes the Dept. of Agriculture and Forestry to impose fees as part of a letter of clearance process required by HB 615 of this Regular Session for solar developments with a footprint of 10 acres or more.

Proposed law requires the dept. to promulgate rules for a method of charging an annual per acre fee to offset the impacts of conversion of agricultural resources for solar development.

Proposed law provides that the method of calculating fees may be based on the following:

- (1) Average yield per acre.
- (2) Commodity-specific factors, for commodities such as sugarcane, corn, cotton, soybeans, livestock, pasture, and timber.
- (3) Any other factor deemed necessary to establish a method to be applied statewide.

Proposed law establishes a Solar Conversion Fund in the state treasury and requires all fees collected pursuant to proposed law be deposited into the fund after being credited to the Bond Security and Redemption Fund. Further requires that all unexpended and unencumbered monies in the fund be invested by the treasurer and deposited into the fund.

Proposed law requires that fees collected pursuant to proposed law be used only for the costs incurred by the dept. during the letter of clearance process and for the costs to replace or otherwise mitigate the loss of agricultural resources being converted for large-scale solar development.

Effective only if HB 615 of this 2025 Regular Session becomes law.

(Adds R.S. 30:1129)