

2021 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 40

BY REPRESENTATIVE SCHEXNAYDER

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

1    A CONCURRENT RESOLUTION

2    To direct the Department of Economic Development and the State Board of Commerce and  
3             Industry to suspend the Louisiana Industrial Ad Valorem Tax Exemption Program  
4             under LAC 13:1 et seq. and any other tax incentives, subsidies, and other public  
5             financial support as it relates to utility scale solar projects that are not subject to  
6             review and approval by the Louisiana Public Service Commission and the council  
7             of the city of New Orleans.

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

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

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

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

4           WHEREAS, the Louisiana Public Service Commission has an existing process in  
5 place for regulated utilities to procure solar resources and other resources under the rules and  
6 regulations established by the Louisiana Public Service Commission, which are established  
7 to protect Louisiana citizens, ensure grid operations and reliability, and protect the public  
8 interest; and

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

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

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

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

20           THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby  
21 direct the Department of Economic Development and the State Board of Commerce and  
22 Industry to suspend LAC 13:1 et seq. and any other tax incentives, subsidies, and other  
23 public financial support as it relates to utility scale solar projects that are not subject to  
24 review and approval by the Louisiana Public Service Commission and the council of the city  
25 of New Orleans.

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

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**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)]

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HCR 40 Engrossed

2021 Regular Session

Schexnayder

Directs the Louisiana Department of Economic Development and the State Board of Commerce and Industry 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.

**Summary of Amendments Adopted by House**

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Make technical changes.
2. Add a provision to include the State Board of Commerce and Industry as an entity being directed 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.
3. Add a provision to transmit a copy of the resolution to the secretary of the Louisiana Department of Economic Development.
4. Add a provision to transmit a copy of the resolution to the chairman of the State Board of Commerce and Industry.