

2021 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 40

BY REPRESENTATIVE SCHEXNAYDER

1 A CONCURRENT RESOLUTION

2 To urge and request the Department of Economic Development and the State Board of  
3 Commerce and Industry to suspend until thirty days after final adjournment of the  
4 2022 Regular Session of the Legislature the Louisiana Industrial Ad Valorem Tax  
5 Exemption Program as provided in LAC 13:1 et seq. and any other tax incentives,  
6 subsidies, and other public financial support as it relates to utility scale solar projects  
7 with advance notifications filed on or after July 1, 2021, that are not undertaken by  
8 the Louisiana Energy and Power Authority or a municipal-owned electric system or  
9 that are not subject to review and approval by the Louisiana Public Service  
10 Commission and the council of the city of New Orleans.

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

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

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

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

23 WHEREAS, the Louisiana Public Service Commission has an existing process in  
24 place for regulated utilities to procure solar resources and other resources under the rules and  
25 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.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE