

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB 615** HLS 25RS 84

Bill Text Version: ORIGINAL

Opp. Chamb. Action:

Proposed Amd.: Sub. Bill For.:

Date: April 16, 2025 8:30 AM Author: GEYMANN

Dept./Agy.: Energy and Natural Resources

Subject: Solar Regulation Analyst: Mimi Blanchard

ENERGY/SOLAR OR INCREASE SD EX See Note

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Provides for the regulation of solar facilities

<u>Current law</u> provides that no person or entity shall unreasonably restrict the right of a property owner to install or use a solar collector for residential purposes. However, it also clarifies that zoning restrictions, servitudes, and building restrictions may still apply.

<u>Proposed law</u> establishes a comprehensive framework for the regulation of solar power generation facilities. The bill outlines definitions, jurisdiction, and the authority of the Department of Energy and Natural Resources (DENR), local governing authorities, and other state agencies involved in renewable energy development. Public notice and participation is required before permitting, establishing siting standards, and mandating the inclusion of financial security and decommissioning plans. Additionally, the bill prohibits the use of certain technologies and restricts solar development by foreign adversaries. It also provides exceptions for solar facilities located within industrial zones and Louisiana Economic Development (LED) certified sites.

Effective July 1, 2025.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$482,460	\$496,933	\$511,841	\$527,197	\$543,013	\$2,561,444
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The Department of Energy and Natural Resources (DENR) reports that implementation of the bill will require four (4) additional positions, with salaries and related benefits estimated at \$512,000 annually from the Mineral and Energy Operation Fund. Two Statewide Program Manager 2 positions will oversee solar facility permitting, including review of letters of clearance, enforcement of siting and permit conditions, and coordination of public hearings. For energy storage facilities, one Engineer and one Accountant 4 will develop and enforce permitting procedures and decommissioning requirements. Additional costs may include staff training, protocol development, and IT system updates, depending on application volume and complexity. While proposed law requires additional oversight and responsibility on behalf of DENR, the LFO cannot corroborate the requested staffing level. To the extent that DENR may be able to absorb these additional functions in whole or in part with existing resources, the expenditures detailed may decrease accordingly.

The Louisiana Department of Agriculture and Forestry (LDAF) reports that permit reviews will be handled by existing staff from the Office of Soil and Water Conservation, initially including one (1) AGRI Environmental Specialist Supervisor and one (1) AGRI Environmental Specialist 3. To the extent that increased staff or travel costs may arise depending on the volume and complexity of permit applications, additional resources may be needed.

The Department of Wildlife and Fisheries (LDWF) reports that it currently receives notification for only about 10% of solar projects, typically when assistance is voluntarily requested or wetland impacts are involved. The bill is expected to significantly increase the number of project reviews; however, LDWF anticipates absorbing this workload within its existing operating budget.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<u>Senate</u>	Dual Referral Rules	<u>House</u>	
x 13.5.1 >=	\$100,000 Annual Fiscal Cost {S & H}		Alan M. Boderger
	\$500,000 Annual Tax or Fee Change {S & H}	6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Alan M. Boxberger Legislative Fiscal Officer