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 DIGEST

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SB 167 Reengrossed

2021 Regular Session

Allain

Present law establishes the Oilfield Site Restoration Fund used for oilfield site restoration or assessment conducted by the Dept. of Natural Resources for administration of the oilfield site restoration program. Proposed law retains present law.

Proposed law requires the state treasurer to transfer \$30 million from the first federal funds received by the state for which oilfield site restoration or plugging orphan wells is an allowable use and monies from federal appropriations or any federal grant program established by the U.S. Congress for the purpose of restoring orphan oilfield sites into the fund.

Proposed law requires the Joint Legislative Committee on the Budget to determine whether federal funds received by the state can be used for oilfield site restoration or plugging orphan wells.

Proposed law limits the use of these monies to the purposes of assessing and restoring orphan oilfield sites. Provides that an amount not exceeding 5% may be used for administration. Provides monies shall be expended only through contracts entered through the competitive process set by present law.

Present law caps the Oilfield Site Restoration Fund at \$14 million but excludes from the calculation of that cap site-specific trust accounts, financial security instruments not tied to a specific well or wells, and sums generated from bonds. Proposed law adds any sums deposited from federal appropriations or any grant program established by the U.S. Congress for the purpose of restoring orphan oilfield sites to the list of funds not used to calculate the cap of the Fund.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 30:86(A), (C), and (E)(intro. para.); adds R.S. 30:86(D)(9) and (10) and (E)(7))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill

1. Technical changes.

Senate Floor Amendments to engrossed bill

1. Clarifies the funds to be transferred to the Oilfield Site Restoration Fund.
2. Clarifies how funds can be expended.
3. Provides for legislative findings.
4. Makes technical changes.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the reengrossed bill:

1. Remove requirement that the first \$30 million of American Rescue Plan Act funds be transferred into the Oilfield Site Restoration Fund.
2. Require \$30 million from the first federal funds received by the state for which oilfield site restoration or plugging orphan wells is an allowable use to be deposited into the Oilfield Site Restoration Fund.
3. Require the Joint Legislative Committee on the Budget to determine whether the federal funds can be used for that purpose.