The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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)]

CONFERENCE COMMITTEE REPORT DIGEST

SB 73

2025 Regular Session

Reese

Keyword and summary of the bill as proposed by the Conference Committee

ENVIRONMENTAL CONTROL. Provides for sequestration of carbon dioxide. (8/1/25)

Report adopts House amendments to:

1. Allow local government comments to be submitted orally or in writing.

Report amends the bill to:

- 1. Increase the percentage of owners in interest within a proposed storage unit that are required for consideration of a unit application, from 75% to 85%.
- 2. Increase requirements to initiate eminent domain proceedings for geologic storage facilities and infrastructure.
- 3. Increase notice requirements for applicants for Class VI and Class V well permits.

Digest of the bill as proposed by the Conference Committee

<u>Present law</u> provides for jurisdiction of the commissioner of conservation over the geologic sequestration of carbon dioxide.

<u>Proposed law</u> maintains <u>present law</u> and requires the commissioner to give substantial consideration to oral or written local government comments when determining the appropriate course of action in any matter that requires a public comment period.

<u>Present law</u> authorizes the commissioner to issue unit operations orders for geologic storage units and requires that 75% of owners in interest within the proposed unit consent in writing to geologic storage.

<u>Proposed law</u> maintains <u>present law</u> and increases the required percentage of consenting owners in interest to 85%.

<u>Present law</u> authorizes storage operators, after obtaining a permit, to exercise the power of eminent domain and expropriate property for construction, operation, or modification of a storage facility and necessary infrastructure.

<u>Proposed law</u> maintains <u>present law</u> and requires the operator to provide written notice to the landowner, allow the landowner to be present during inspection, negotiate in good faith, provide a written offer, and allow ten days for an offer response. Further provides that the landowner providing additional information or a counteroffer, or the facility owner or operator responding to the landowner, has no effect on the time period for filing a petition of expropriation.

<u>Present law</u> requires an applicant for a Class VI well permit to make a good faith effort to provide notice of application by U.S. mail to the last operator of record for any oil or gas well in the area of review and any person with a right to drill and produce from a pool and appropriate production within the predicted carbon dioxide plume.

<u>Proposed law</u> maintains <u>present law</u> and requires that in order for the application to be deemed complete, the applicant shall make a reasonable search and good faith effort to provide notice of the application by U.S. certified mail to the last operator of any oil or gas well, all mineral interest owners and lessees and operators acting on their behalf, and all surface owners, located within the extent of the area of review.

<u>Present law</u> requires an applicant for a Class V test well permit to make a good faith effort to provide notice of application by U.S. mail to the last operator of record for any oil or gas well within 500 feet of the proposed well and any person with a right to drill and produce from a pool and appropriate production within 500 feet of the proposed well.

<u>Proposed law</u> maintains <u>present law</u> and requires that in order for the application to be deemed complete, the applicant shall make a reasonable search and good faith effort to provide notice of the application by U.S. certified mail to the last operator of any oil or gas well, all mineral interest owners and lessees and operators acting on their behalf, and all surface owners, located within 500 feet of the proposed well.

<u>Proposed law</u> provides that notice is satisfied by notifying all persons shown by the assessor to be the current owner of surface rights within the area of required notice.

<u>Proposed law</u> requires the department to publish on its website notice of any Class VI or Class V permit application related to a geologic sequestration project.