

2026 Regular Session

SENATE BILL NO. 379

BY SENATOR HENSGENS

NATURAL RESOURCES DEPT. Provides for the Department of Conservation and Energy.
(8/1/26)

1 AN ACT

2 To amend and reenact R.S. 30:3(7), 4(C)(14), (D)(1)(a) and (5), (G), and (I)(2), 5(C)(1), the

3 introductory paragraph of (C)(2), and (6), and (D)(1), 5.1(A)(1) and (B)(1), 6.1(A)

4 and (C), 21(D)(5), 23(D)(2), 26, 29(A) and (I)(4), 73(1), 74(A)(3) and (B), 98.3(B),

5 101.2(A), 101.5(A), 127(A), 136.3(B)(1), 153(A), the introductory paragraph of 548,

6 917(F), 1110(C)(1)(f) and (g), and R.S. 36:358(B), (E)(2), and (G), to enact R.S.

7 30:84(A)(9) and (10), and to repeal R.S. 30:4(O)(3), 85, and 101.6, relative to the

8 Department of Conservation and Energy; to provide for technical corrections to the

9 structure and organization of the department; to provide for powers and duties of the

10 secretary of the Department of Conservation and Energy; to provide for the office

11 of state resources; to provide for leasing authority; to provide for the Mineral and

12 Energy Operation Fund; to provide for instructions to the Louisiana Law Institute;

13 to provide for definitions; and to provide for related matters.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 30:3(7), 4(C)(14), (D)(1)(a) and (5), (G), and (I)(2), 5(C)(1), the

16 introductory paragraph of (C)(2), and (6), and (D)(1), 5.1(A)(1) and (B)(1), 6.1(A) and (C),

17 21(D)(5), 23(D)(2), 26, 29(A) and (I)(4), 73(1), 74(A)(3) and (B), 98.3(B), 101.2(A),

1 101.5(A), 127(A), 136.3(B)(1), 153(A), the introductory paragraph of 548, 917(F),
2 1110(C)(1)(f) and (g) are hereby amended and reenacted and R.S. 30:84(A)(9) and (10) are
3 hereby enacted to read as follows:

4 §3. Definitions

5 Unless the context otherwise requires, the words defined in this Section have
6 the following meaning when found in this Subtitle:

7 * * *

8 (7) "Gas" means all natural gas, including casinghead gas, and all other
9 hydrocarbons not defined as oil in Paragraph ~~(7)~~ **(12)** of this Section.

10 * * *

11 §4. Jurisdiction, duties, and powers of the secretary; rules and regulations

12 * * *

13 C. The secretary has authority to make, after notice and hearings as provided
14 in this Chapter, any reasonable rules, regulations, and orders that are necessary from
15 time to time in the proper administration and enforcement of this Chapter, including
16 rules, regulations, or orders for the following purposes:

17 * * *

18 (14) To require interested persons to place uniform meters of a type approved
19 by the secretary wherever the secretary designates on all pipelines, gathering
20 systems, barge terminals, loading racks, refineries, or other places necessary or
21 proper to prevent waste and the transportation of illegally produced oil or gas. These
22 meters shall be under the supervision and control of the department ~~of conservation~~.
23 It shall be a violation of this Chapter, subject to the penalties provided in R.S. 30:18,
24 for any person to refuse to attach or install a meter when ordered to do so by the
25 secretary, or in any way to tamper with the meters so as to produce a false or
26 inaccurate reading, or to have any device through which the oil or gas can be passed
27 around the meter, unless expressly authorized by written permit of the secretary.

28 * * *

29 D. The secretary may make, after notice and public hearing as provided in

1 this Chapter, any reasonable rules, regulations, and orders that are necessary:

2 (1) To require that all pipelines, all wells, and all associated structures,
3 including any fittings, tie-overs, appliances, and equipment, which are constructed
4 on state water bottoms pursuant to the grant of a right-of-way by the secretary of the
5 Department of Conservation and Energy or the issuance of a lease by the State
6 Mineral and Energy Board shall conform to the following provisions:

7 (a) The owner or operator of a pipeline constructed on a right-of-way granted
8 on state water bottoms shall be responsible for burying the line to a depth consistent
9 with regulations promulgated by the ~~office of conservation~~ **department** and for
10 maintaining it at said depth to the extent feasible and practical, as determined by the
11 secretary, taking into account the changes wrought by natural forces.

12 * * *

13 (5) To provide that the ~~office of conservation~~ **department** shall conduct such
14 inspections as the secretary may deem necessary or appropriate in carrying out the
15 provisions of this Subsection.

16 * * *

17 G. The Department of Conservation and Energy, through the secretary, shall
18 implement the provisions of Subsections D, E, and F of this Section as to interstate
19 pipelines insofar as those requirements may be consistent with the regulations for
20 interstate pipelines adopted by the United States Department of Transportation. In
21 such event, the ~~office~~ **department** shall further implement the provisions of
22 Subsections D, E, and F of this Section insofar as those requirements may be
23 consistent with the regulations for interstate pipelines adopted by the United States
24 Department of Energy.

25 * * *

26 I. The secretary shall make, after notice and public hearing as provided in this
27 Chapter, any reasonable rules, regulations, and orders that are necessary to control
28 the offsite disposal at commercial facilities of drilling mud, saltwater and other
29 related nonhazardous wastes generated by the drilling and production of oil and gas

1 wells. Such regulations shall contain provisions identifying the waste materials to be
2 regulated. Such regulations shall at a minimum require:

3 * * *

4 (2) At least thirty days prior to filing such application with the ~~office~~
5 **department**, the applicant shall publish a notice of intent to file the application,
6 which notice shall contain sufficient information to identify the applicant, the
7 proposed site at which disposal operations will occur, the nature and content of the
8 waste streams to be disposed of, and the method of disposal to be used. Such notice
9 shall be published on three separate days in the official journal of the parish in which
10 the proposed facility will be located, and in the official journal of the state, not less
11 than one quarter of a page in size and printed in boldface type.

12 * * *

13 §5. Permission to convert gas into carbon black; recycling gas; unit operations

14 * * *

15 C.(1) Without any way modifying the authority granted to the secretary in
16 R.S. 30:9(B) to establish a drilling unit or units for a pool and in addition to the
17 authority conferred in Subsection B of this Section:

18 (a) The secretary ~~of the office of conservation~~ upon the application of any
19 interested party, also is authorized and empowered to enter an order requiring the
20 unit operation of any pool or a combination of two pools in the same field,
21 productive of oil or gas, or both, in connection with the institution and operation of
22 systems of pressure maintenance by the injection of gas, water, or any other
23 extraneous substance, or in connection with any program of secondary or tertiary
24 recovery; and

25 (b) The secretary ~~of the office of conservation~~ is further authorized and
26 empowered to require the unit operation of a single pool in any situation where the
27 ultimate recovery can be increased and waste and the drilling of unnecessary wells
28 can be prevented by such a unit operation.

29 (2) In connection with such an order of unit operation, the secretary ~~of the~~

1 ~~office of conservation~~ shall have the right to unitize, pool, and consolidate all
 2 separately owned tracts and other property ownerships. Any order for such a unit
 3 operation shall be issued only after notice and hearing and shall be based on all of
 4 the following findings:

5 * * *

6 (6) No order of the secretary entered pursuant hereto shall have the effect of
 7 enlarging, displacing, varying, altering, or in anywise whatsoever modifying or
 8 changing contracts in existence on ~~the effective date of this Act~~ **August 15, 1984**,
 9 concerning the unitization of any pool (reservoir) or pools (reservoirs) or field (as
 10 defined in the contract) for the production of oil, gas, brine, or any combination
 11 thereof.

12 D.(1) In order to prevent waste and increase the ultimate recovery of oil or
 13 gas, or both, the secretary ~~of the office of conservation~~, upon the application of any
 14 interested owner, and only after notice and a public hearing, is authorized to approve
 15 a cyclic injection project for the operation of a well by the method of enhanced
 16 recovery known as cyclic injection, without the formation of a unit under Subsection
 17 C of this Section or under any other provisions of this Chapter. No operator shall
 18 utilize cyclic injection without first securing the secretary's approval pursuant to this
 19 Subsection. For the purposes of this Subsection, "cyclic injection" is hereby defined
 20 as a single-well process in which a production well is injected with a substance for
 21 the purpose of enhanced recovery. After a shut-in period, the well is returned to
 22 production. This procedure may be performed repeatedly on one or more wells in a
 23 reservoir.

24 * * *

25 §5.1. Deep pool order; ultra deep structure units; application; procedure; allocation
 26 of costs; rules and regulations

27 A. The following shall be applicable to deep pool units:

28 (1) In order to prevent waste and to avoid the drilling of unnecessary wells,
 29 and to encourage the development of deep oil and gas pools in Louisiana, the

1 secretary ~~of conservation~~ is authorized, as provided in this Subsection, to establish
 2 a single unit to be served by one or more wells for a deep pool and to adopt a
 3 development plan for such deep unit.

4 * * *

5 B. The following shall be applicable to ultra deep structure units:

6 (1) In order to prevent waste and to avoid the drilling of unnecessary wells,
 7 and to encourage the development of ultra deep oil and gas structures in Louisiana,
 8 the secretary ~~of conservation~~ is authorized, as provided in this Subsection, to
 9 establish a single unit to be served by one or more wells for an ultra deep structure
 10 and to adopt a plan of development for such ultra deep structure unit. For purposes
 11 of this ~~statute~~ **Section**, a "structure" is defined as a unique geologic feature that
 12 potentially traps hydrocarbons in one or more pools or zones.

13 * * *

14 §6.1. Declaration of emergency

15 A. Notwithstanding any other provision of this Title, upon receipt of evidence
 16 that there is an incident occurring or threatening to occur imminently at an oilfield
 17 site or other facility, structure, or pipeline under the department's jurisdiction
 18 pursuant to R.S. 30:1 et seq., which is of such magnitude as to require immediate
 19 action to prevent substantial or irreparable damage to the environment or a serious
 20 threat to life or safety based on recognized criteria, standards or industry practices,
 21 the ~~department~~ **secretary** may declare in writing that an emergency exists.

22 * * *

23 C. When an emergency situation is declared, the ~~department~~ **secretary** is
 24 authorized to undertake the containment and abatement of the pollution source and
 25 pollutants and may retain personnel or contract for these purposes with persons who
 26 shall operate under his direction. All contracts let by the ~~department~~ **secretary** to
 27 respond to a declared emergency shall be exempt from the provisions of Chapter 10
 28 of Title 38 of the Louisiana Revised Statutes of 1950 and the Louisiana Procurement
 29 Code. However, the ~~department~~ **secretary** may employ an informal bidding

1 procedure by which bids are solicited from at least three bidders and may order the
 2 operator of record or owner to undertake the containment, abatement, or cleanup of
 3 such pollution source and pollutants. Failure to comply with his order shall be a
 4 violation of this Title and shall be punishable as provided in this Title. The
 5 department shall submit an annual report to the House Committee on Natural
 6 Resources and Environment and Senate Committee on Natural Resources listing the
 7 number and type of emergencies declared within the previous year.

8 * * *

9 §21.1. Natural Resources Financial Security Fund

10 * * *

11 D. Monies in the fund shall be used solely for the following purposes:

12 * * *

13 (5) Upon request by the Natural Resources Trust Authority and with the
 14 approval of the Mineral and Energy Board, the state treasurer is hereby authorized
 15 and directed to transfer from the Natural Resources Financial Security Fund to the
 16 Mineral and Energy ~~Operations~~ **Operation** Fund such amounts as are approved by
 17 the board and deemed necessary to implement any purpose for which monies in the
 18 Mineral and ~~Operations~~ **Energy Operation** Fund may be used, subject to the
 19 availability of funds and in accordance with applicable law.

20 * * *

21 §23. Underground storage of liquid or gaseous hydrocarbons or both, carbon
 22 dioxide, hydrogen, nitrogen, ammonia, compressed air, or noble
 23 gases not otherwise prohibited by law

24 * * *

25 D.(1)

* * *

26 (2) Upon presentation of the findings and determination by the secretary to
 27 the committees on natural resources of the Senate and House of Representatives and
 28 approval by said committees of any such projects, the secretary shall ~~authorize the~~
 29 ~~secretary to~~ initiate such procedures as the secretary deems necessary within the

1 scope of his authority under Chapter 7 of this Title and the constraints of this Section
2 to accomplish the purposes hereof.

3 * * *

4 §26. Applications and notification of completeness

5 A. Notwithstanding any other law to the contrary, the secretary of the
6 Department of Conservation and Energy shall, after notification by the department
7 to the applicant that the application is complete, grant or deny all applications for all
8 permits, licenses, registrations, or compliance in this or any other Title within sixty
9 days. The notification of completeness shall be issued within fourteen days,
10 exclusive of holidays, by the department. If the application is not complete the
11 department shall notify the applicant in writing of the deficiencies which cause the
12 application not to be complete. If the secretary ~~or the secretary~~ does not grant the
13 application, the secretary ~~or the secretary~~ shall provide written reasons for his
14 decision to deny, and copies of the decision shall be provided to all parties. The
15 secretary ~~and the secretary~~ may delegate the power to grant permits, licenses,
16 registrations, variances, or compliance schedules to an assistant.

17 B. If the secretary does not grant or deny the application within the time
18 period provided for in this Section, the applicant may file a rule as provided for in
19 R.S. 49:978.

20 * * *

21 §29. Remediation of oilfield sites and exploration and production sites

22 A. The legislature hereby finds and declares that Article IX, Section 1 of the
23 Constitution of Louisiana mandates that the natural resources and the environment
24 of the state, including ground water, are to be protected, conserved, and replenished
25 insofar as possible and consistent with the health, safety, and welfare of the people
26 and further mandates that the legislature enact laws to implement this policy. It is the
27 duty of the legislature to set forth procedures to ensure that damage to the
28 environment is evaluated and if necessary remediated to a standard that protects the
29 public interest. To this end, this Section provides the procedure for judicial

1 resolution of claims for environmental damage to property arising from activities
 2 subject to the jurisdiction of the Department of Conservation and Energy, ~~office of~~
 3 ~~conservation~~. The provisions of this Section shall be implemented upon receipt of
 4 timely notice as required by Paragraph (B)(1) of this Section. The provisions of this
 5 Section shall not be construed to impede or limit provisions under private contracts
 6 imposing remediation obligations in excess of the requirements of the department or
 7 limit the right of a party to a private contract to enforce any contract provision in a
 8 court of proper jurisdiction.

* * *

10 I. For the purposes of this Section, the following terms shall have the
 11 following meanings:

* * *

13 (4) "Most feasible plan" means the most reasonable plan which addresses
 14 environmental damage in conformity with the requirements of Article IX, Section
 15 1 of the Constitution of Louisiana to protect the environment, public health, safety
 16 and welfare, and is in compliance with the specific relevant and applicable standards
 17 and regulations promulgated by a state agency in accordance with the Administrative
 18 Procedure Act in effect at the time the most feasible plan to evaluate or if necessary
 19 remediate environmental damage resulting from oilfield or exploration and
 20 production operations or waste **is approved or structured**.

* * *

§73. Definitions

23 As used in this Part, the following terms shall have the meaning ascribed to
 24 them in this Section, unless the context or use clearly indicates otherwise:

25 (1) "Commissioner" means the secretary of the Department of Conservation
 26 and Energy or his authorized representatives from the injection and mining division
 27 ~~of that office~~.

* * *

§74. Abandoned oilfield waste sites; notification; clean up

* * *

§84. Powers of the secretary

A. The powers of the secretary shall include without limitation the power to do the following:

* * *

~~§85(A)(3)~~(9) The secretary shall perform all regulatory functions imposed by this Part.

~~§85(A)(4)~~(10) Modify funding requirements of site-specific trust accounts either upon recommendation of the trust authority, the secretary, or upon his own determination, based upon changes in operation, site conditions, or trust account status.

* * *

§98.3. Powers of the Department of Conservation and Energy

* * *

B. If the ~~office~~ **department** finds that compliance with all the requirements of this Part would result in undue hardship, an exemption from any one or more of such requirements may be granted by the office to the extent necessary to ameliorate such undue hardship and to the extent such exemption can be granted without impairing the intent and purpose of this Part.

* * *

§101.2. Policy and purpose

A. The legislature finds and declares that it is in the public interest and within the police power of this state to establish a fishermen's gear compensation and underwater obstruction removal program and a fishermen's gear compensation and underwater obstruction removal dedicated fund account to provide for the proper and timely identification, inventory, and removal of underwater obstructions that are a hazard to navigation and commercial fishing in the state, and to compensate commercial fishermen for damage to their fishing gear from the underwater obstructions. The program and fund account shall be administered, ~~for purposes of~~

1 fishermen's gear compensation, by the secretary of the office of coastal management
 2 and, for purposes of underwater obstruction, by the secretary of the Department of
 3 Conservation and Energy.

4 * * *

5 §101.5. Powers of the secretary

6 A. The powers of the secretary shall include without limitation the power to
 7 do the following:

8 (1) Administer general oversight of expenditures or commitments to make
 9 expenditures from the dedicated fund account for the identification, inventory, and
 10 removal of underwater obstructions as he deems necessary and appropriate.

11 (2) Maintain all supervisory and fiscal responsibility imposed under the
 12 provisions of this Part.

13 (3) Perform such other specific functions as may be enumerated or
 14 envisioned by the provisions of this Part.

15 ~~§101.6(A)(1)~~**(4)** Negotiate and execute contracts, upon such terms as he may
 16 agree upon for underwater obstruction identification, inventory, and removal, and
 17 other services necessary to meet the purpose of this Part.

18 ~~§101.6(A)(2)~~**(5)** Publish an annual list of underwater obstruction sites, to
 19 include an inventory of the type, size and depth of the obstruction, and any other
 20 relevant information which would aid navigation and commercial fishing in the
 21 vicinity of the obstruction.

22 ~~§101.6(A)(3)~~**(6)** Prepare, evaluate, and approve an annual priority list for
 23 underwater obstruction removal.

24 ~~§101.6(A)(4)~~**(7)** Prepare, evaluate, and approve a list of contractors
 25 acceptable to conduct obstruction removal.

26 ~~§101.6(A)(5)~~**(8)** Administer and manage the Fishermen's Gear Compensation
 27 and Underwater Obstruction Removal Program for identification, inventory, and
 28 removal of underwater obstructions in the navigable coastal waters of the state.

29 ~~§101.6(A)(6)~~**(9)** Administer and manage the Fishermen's Gear Compensation

1 and Underwater Obstruction Removal Dedicated Fund Account.

2 ~~§101.6(A)(8)~~**(10)** Maintain a file on the location of known underwater
3 obstructions.

4 ~~§101.6(A)(9)~~**(11)** Administer the payment of appropriate compensation for
5 commercial fishermen whose fishing gear is damaged by underwater obstructions in
6 the Louisiana territorial waters that overlie state-owned waterbottoms that are
7 contained within the coastal zone boundaries as defined in R.S. 49:214.24.

8 * * *

9 §127. Opening bids; minimum royalties; terms of lease; deposit; security

10 A.**(1)** Only those bidders who are registered prospective leaseholders with the
11 office of ~~mineral~~ **state** resources, or those who register within two business days
12 after the lease sale at which the bid is opened and prior to the conditional issuance
13 of the lease, shall be allowed to obtain a mineral lease from the state of Louisiana.
14 Any bidder who is not properly registered with the office of ~~mineral~~ **state** resources
15 at the time bids are opened, but whose bid is otherwise acceptable, shall have until
16 the end of the second business day following the date on which the bid was
17 conditionally accepted by the State Mineral and Energy Board to become properly
18 registered with the office of ~~mineral~~ **state** resources. If the bidder remains
19 unregistered by the close of business of the second business day following the day
20 the mineral lease sale at which the bid was conditionally accepted, the conditionally
21 accepted bid shall be deemed rejected. The provisions of this Subsection shall also
22 apply in cases where there is no more than one bid made by unregistered prospective
23 leaseholders. Bids may be for the whole or any particularly described portion of land
24 advertised. At the time and place mentioned in the advertisement for the
25 consideration of bids, they shall be publicly opened. Bids received by the mineral
26 board shall be opened at any state-owned buildings situated in the city in which the
27 capitol is located. The mineral board has authority to accept the bid most
28 advantageous to the state and may lease upon whatever terms it considers proper.
29 However, the minimum royalties to be stipulated in any mineral lease, other than a

1 mineral lease executed by or on behalf of a school board, shall be:

2 ~~(1)~~**(a)** One-eighth of all oil and gas produced and saved.

3 ~~(2)~~**(b)** One-eighth of the value per long ton of sulphur produced and saved
4 which shall yield not less than two dollars per long ton.

5 ~~(3)~~**(c)** One-eighth of the value per ton for all potash produced and saved,
6 which shall yield not less than ten cents per ton.

7 ~~(4)~~**(d)** Five percent of all lignite produced and saved.

8 ~~(5)~~**(e)** Five percent of the value per ton on a dry salt basis for all salt produced
9 and saved, which shall yield not less than ten cents per ton.

10 ~~(6)~~**(f)** One-eighth of all other minerals produced and saved.

11 **(2) Notwithstanding provisions of Paragraph (1) of this Subsection to the**
12 **contrary, the State Mineral and Energy Board may authorize minimum**
13 **royalties of less than one-eighth but greater than one-sixteenth upon a finding**
14 **that market conditions, commodity prices, or other economic factors warrant**
15 **royalty reduction.**

16 * * *

17 §136.3. Mineral and Energy Operation Fund

18 * * *

19 B. Out of the funds remaining in the Bond Security and Redemption Fund,
20 after a sufficient amount is allocated from that fund to pay all obligations secured by
21 the full faith and credit of the state which become due and payable within any fiscal
22 year as required by Article VII, Section 9(B) of the Constitution of Louisiana, the
23 treasurer in each fiscal year shall pay into the fund revenues and amounts from the
24 following sources:

25 (1) The amount received by the state through the office of state resources
26 from **royalty field audit collections and** nonjudicial settlements, including but not
27 limited to settlements of disputes of royalty audit findings, title disputes, and acreage
28 conflicts, and court-awarded judgments and settlements.

29 * * *

1 §153. Agencies may lease or administer through State Mineral and Energy Board

2 A. Any agency may by resolution direct the State Mineral and Energy Board
3 to lease or otherwise contract for the exploration, development, or use of its land **for**
4 **the development and production of minerals, oil, gas, or alternative energy**
5 **sources and for the purposes set forth in R.S. 30:148.2.** The bonus money, if any,
6 received pursuant to any such contract shall be transmitted by the State Mineral and
7 Energy Board to the agency. After the execution of the original contract, all rights
8 and authority in connection therewith shall be vested in the agency to the same extent
9 as if the agency had itself administered and executed the contract.

10 * * *

11 §548. Exercise of powers

12 The secretary ~~of conservation~~ shall exercise his powers so as to provide,
13 under the priorities hereinafter set forth, to the maximum extent practicable, for:

14 * * *

15 §917. Inspections and monitoring

16 * * *

17 F. After the state has assumed exclusive jurisdiction of surface coal mining
18 operations as provided in Section 503 of P.L. 95-87, and as long as the state retains
19 such jurisdiction, then no employee of the department performing any function or
20 duty under this Chapter shall have a direct or indirect financial interest in any surface
21 coal mining operation. Whoever knowingly violates the provisions of this Subsection
22 shall, upon conviction, be punished by a fine of not more than two-thousand five
23 hundred dollars, or by imprisonment of not more than one year, or by both. The
24 secretary shall by regulation establish methods by which the provisions of this
25 Subsection will be monitored and enforced by the secretary, including appropriate
26 provisions for the filing by such employees in the review of statements and
27 supplements thereto concerning any financial interest which may be effected by this
28 Subsection. This Subsection shall not be given effect (1) if the Secretary of the
29 Interior does not require the inclusion of similar provisions in state laws as a

1 condition for approval by the Secretary of the Interior of state programs of regulation
 2 of surface coal mining and reclamation operations pursuant to Section 503 of P.L.
 3 95-87 or (2) if any such requirement of the Secretary of the Interior is declared
 4 invalid by final decree of a court of competent jurisdiction: Provided, that if similar
 5 provisions are required by the Secretary of the Interior to be included in state laws,
 6 the ~~Secretary of Natural Resources and the secretary~~ **and the Secretary of the**
 7 **Interior** may commence and prosecute an action in the appropriate federal court to
 8 have the regulation requiring inclusion declared invalid.

9 * * *

10 §1110. Carbon Dioxide Geologic Storage Trust Fund

11 * * *

12 C. The secretary is hereby authorized to levy on each storage facility the
 13 following fees or costs for the purpose of funding the fund:

14 (1) A fee payable to the department, in a form and schedule prescribed by the
 15 department, for each ton of carbon dioxide injected for storage into that storage
 16 facility. This fee is to be determined based upon the following formula:

17 * * *

18 (f) Once five million dollars has been contributed to the fund for a storage
 19 facility, the fee assessments to that storage facility under this Section shall cease
 20 until such time as funds begin to be expended for that storage facility. The secretary
 21 of the Department of Conservation and Energy shall certify ~~to the secretary~~ **in**
 22 **writing** the date on which the balance in the fund for a storage facility equals or
 23 exceeds five million dollars. The fund fees shall not be collected or required to be
 24 paid on or after the first day of the second month following the certification, except
 25 that the secretary shall resume collecting the fees on receipt of a certification from
 26 the secretary of the Department of Conservation and Energy that, based on the
 27 expenditures or commitments to expend monies, the fund has fallen below four
 28 million dollars for that storage facility.

29 (g) Notwithstanding the total number of storage facilities owned or operated

1 by a storage operator, once ten million dollars has been contributed to the fund by
 2 a storage operator, the fee assessment to that storage operator under this Section shall
 3 cease until such time as funds begin to be expended for any storage facility owned
 4 or operated by that storage operator. The secretary of the Department of
 5 Conservation and Energy shall certify ~~to the secretary~~ **in writing** the date on which
 6 the balance in the fund for a storage operator equals or exceeds ten million dollars.
 7 The fund fees shall not be collected or required to be paid on or after the first day of
 8 the second month following the certification, except that the secretary shall resume
 9 collecting the fees upon receipt of a certification from the secretary of the
 10 Department of Conservation and Energy that, based on the expenditures or
 11 commitments to expend monies, the fund has fallen below eight million dollars for
 12 that storage operator.

13 * * *

14 Section 2. R.S. 36:358(B), (E)(2), and (G) are hereby amended and reenacted to read
 15 as follows:

16 §358. Offices; purposes and functions

17 * * *

18 B. The ~~office of the~~ executive office of the secretary shall be responsible for
 19 assisting the secretary in the exercise of the functions and duties established in law
 20 of the secretary. Among the divisions included within the executive office of the
 21 secretary shall be the office of the natural resources commission to be headed by the
 22 deputy secretary and the office of legal services to be headed by an attorney
 23 designated by the secretary.

24 * * *

25 E. The office of state resources shall:

26 * * *

27 (2) Work in cooperation with the ~~Center for Energy Studies~~ **Institute** to
 28 maintain current surface and subsurface geological surveys of the state, or otherwise
 29 at the discretion of the secretary or his designee; conduct geological mapping;

1 prepare geological hazards assessments and resource inventories; and conduct
2 process investigations and related studies.

3 * * *

4 G. The office of energy shall organize, plan, supervise, direct, administer,
5 execute, and be responsible for the functions and programs relating to the
6 deployment and operation of alternative energy infrastructure in this state in a
7 manner that results in affordable and reliable energy. The office of energy shall also
8 work in cooperation with the ~~Center for Energy Studies~~ **Institute** to create and carry
9 out a central, comprehensive, and unified energy data and information program
10 which will collect, evaluate, assemble, analyze, and disseminate data and information
11 which is relevant to energy resource reserves, energy production, demand, and
12 technology, and related economic and statistical information, or which is relevant to
13 the adequacy of energy resources to meet demands in the near and longer term future
14 of the state. The office of energy shall work to provide the department and the
15 Natural Resources Commission with technical assistance and expertise in matters
16 related to energy and natural resources and shall also work to identify policy options
17 relative to energy related matters upon request. Finally, the office of energy shall
18 coordinate with academic and research institutions who possess specialized expertise
19 in areas related to energy and natural resources on behalf of the department.

20 * * *

21 Section 3. R.S. 30:4(O)(3), 85, and 101.6 are hereby repealed.

22 Section 4. The Louisiana State Law Institute is hereby directed to change all
23 references to the commissioner of conservation whose duties and powers were transferred
24 to the secretary of the Department of Conservation and Energy pursuant to Act No. 458 of
25 the 2025 Regular Session from "commissioner of conservation" to "secretary of the
26 Department of Conservation and Energy" and "commissioner" to "secretary" throughout the
27 Louisiana Revised Statutes of 1950.

28 Section 5. The Louisiana State Law Institute is hereby directed to change all
29 references to the "office of mineral resources" to "office of state resources" throughout the

1 Louisiana Revised Statutes of 1950 except in the provisions of R.S. 30:124.1.

The original 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)]

DIGEST

SB 379 Reengrossed

2026 Regular Session

Hensgens

Present law establishes the Dept. of Conservation and Energy and provides for jurisdiction, duties, and powers of the department and the secretary. Provides for the office of mineral resources.

Proposed law retains present law and changes the office of mineral resources to the office of state resources, changes references to the former position of commissioner of conservation to the secretary of the Dept. of Conservation and Energy, and other technical corrections.

Present law authorizes the State Mineral and Energy Board to lease state property for mineral exploration and alternative energy, such as solar, wind, geothermal, and hydrokinetic.

Proposed law clarifies that leases of state and other public lands may be for development and production of minerals, oil, gas, or alternative energy sources and as provided in present law.

Present law sets up a process for application, inspection, advertisement, and bids for leases. Other political subdivisions, such as ports and school boards, may ask the board to lease for them.

Present law limits minimum royalties for such leases, other than for school boards, to 1/8th for oil, gas, sulphur, and potash, and 1/20th for lignite and salt.

Proposed law allows the board to set royalties at less than 1/8th but greater than 1/16th upon a finding that market conditions, commodity prices, or other economic factors warrant the reduction.

Effective August 1, 2026.

(Amends R.S. 30:3(7), 4(C)(14), (D)(1)(a) and (5), (G), and (I)(2), 5(C)(1), (C)(2) (intro para), and (6), and (D)(1), 5.1(A)(1) and (B)(1), 6.1(A) and (C), 21(D)(5), 23(D)(2), 26, 29(A) and (I)(4), 73(1), 74(A)(3) and (B), 98.3(B), 101.2(A), 101.5(A), 127(A), 136.3(B)(1), 153(A), 548(intro para), 917(F), 1110(C)(1)(f) and (g), and R.S. 36:358(B), (E)(2), and (G); adds R.S. 30:84(A)(9) and (10); repeals R.S. 30:4(O)(3), 85, and 101.6)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Natural Resources to the original bill

1. Authorizes the State Mineral and Energy Board to lease with less than a 1/8th royalty in certain circumstances.
2. Provides for the purposes of the State Mineral and Energy Board to lease other agencies' land.
3. Make technical changes.

Senate Floor Amendments to engrossed bill

1. Make technical changes to Title 30 to align with 2025 reorganization bill.
2. Change references to commissioner of conservation to secretary.
3. Change office of mineral resources to office of state resources.
4. Provide for funds from royalty field audit collections to be deposited into the Mineral and Energy Operation Fund.
5. Remove confirmation of directors appointed by the secretary.
6. Recognize name change from the Center for Energy Studies to the Energy Institute.
7. Make technical corrections.