

2017 Regular Session

HOUSE BILL NO. 423

BY REPRESENTATIVE LEOPOLD

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

ENVIRONMENT/WATER: Authorizes the secretary of the Louisiana Department of Environmental Quality to establish and administer a water quality trading program

1 AN ACT

2 To amend and reenact R.S. 30:2074(B)(9)(a) and (b) and to repeal R.S. 30:2074(B)(9)(c)
3 through (e), relative to water quality; to provide for the powers and duties of the
4 secretary of the Department of Environmental Quality; to provide for the
5 establishment and administration of a water quality trading program; to provide for
6 certain criteria for credits; to provide for limitations on use of credits; to provide for
7 records; to provide for a pilot or demonstration program; and to provide for related
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 30:2074(B)(9)(a) and (b) are hereby amended and reenacted to read
11 as follows:

12 §2074. Water quality control; secretary of environmental quality; powers and duties

13 * * *

14 B. The secretary shall have the following powers and duties:

15 * * *

16 (9)(a) To adopt and promulgate regulations necessary to establish and
17 administer a ~~point source to point source effluent reduction credit banking system~~
18 ~~for the state's watersheds where Total Maximum Daily Load limitations are in place~~
19 water quality trading program as an inducement to reduce discharges of pollutants
20 into waters of the state. This water quality trading program may include point source

1 and nonpoint source participation. The participation of nonpoint sources in the
2 program shall be subject to an interagency agreement between the department and
3 the appropriate governmental authority, or other written agreement with the
4 department. Such regulations shall include, at a minimum, the following:

5 (a) ~~Provision for the administration of the banking system.~~

6 (i) Criteria under which credits may be earned, quantified, and validated.

7 (ii) Geographical limitations on the use of credits as offsets, where
8 applicable.

9 (iii) Criteria for the monitoring, use, banking, life, enforcement, and sale of
10 banked credits.

11 (iv) The approval of the department for the earning, use, banking, and sale
12 of banked credits.

13 (v) Requirements for the maintenance and submission of records concerning
14 monitoring of pollutant levels, credit offset amounts, and banked credits.

15 (vi) Any other requirements needed to comply with federal and state laws and
16 regulations.

17 (b) ~~Limit trading of credits to trading within the same watershed in which the~~
18 ~~credits are earned. A pilot or demonstration project may be used to aid in the~~
19 ~~development of a water quality trading program prior to the adoption of regulations~~
20 ~~promulgated pursuant to Subparagraph (a) of this Paragraph. Any such project shall~~
21 ~~be conducted in accordance with the terms and conditions of an implementation plan~~
22 ~~approved by the department.~~

23 * * *

24 Section 2. R.S. 30:2074(B)(9)(c) through (e) are hereby repealed in their entirety.

25 Section 3. This Act shall become effective upon signature by the governor or, if not
26 signed by the governor, upon expiration of the time for bills to become law without signature
27 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
28 vetoed by the governor and subsequently approved by the legislature, this Act shall become
29 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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)]

HB 423 Original

2017 Regular Session

Leopold

Abstract: Authorizes the secretary of the Department of Environmental Quality to establish and administer a water quality trading program.

Present law authorizes the secretary of Dept. of Environmental Quality to adopt and promulgate rules and regulations that implement a point source to point source effluent reduction credit banking system in watersheds where the department has implemented Total Maximum Daily Load limitations.

Proposed law removes authority of the current banking program and authorizes the secretary to adopt and promulgate rules and regulations that implement a water quality trading program that may include point source and nonpoint source participation.

Proposed law requires the regulations of the program provide for criteria for earning, quantifying, and validating credits; the geographical limitations on the use of credits; monitoring, use, banking, life, enforcement, and sale of credits; required approvals of the department relating to credits; recordkeeping; and compliance with federal and state laws and regulations.

Proposed law authorizes a pilot or demonstration project to aid in the development of a water quality trading program prior to the adoption of regulations authorized by proposed law.

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

(Amends R.S. 30:2074(B)(9)(a) and (b); Repeals R.S. 30:2074(B)(9)(c)-(e))