

RÉSUMÉ DIGEST

ACT 298 (SB 167)

2021 Regular Session

Allain

Prior law established 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. New law retains prior law.

New 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.

New 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.

New 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 prior law.

Prior law capped the Oilfield Site Restoration Fund at \$14 million but excluded 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. New 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 (June 15, 2021).

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