



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 308** HLS 23RS 295
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 7, 2023	9:39 AM	Author: WHEAT
Dept./Agy.: Natural Resources		Analyst: Chris Henry
Subject: Coastal Use Permit Application Requirements		

ENVIRONMENT/PERMITS OR INCREASE GF EX See Note Page 1 of 1

Requires an environmental impact statement as part of the coastal use permit application process for certain uses of Lake Maurepas and the Maurepas Swamp Wildlife Management Area

Proposed law requires that any Coastal Use Permit application which seeks to construct a Class VI injection well for carbon dioxide sequestration or install pipelines used in transporting carbon dioxide for sequestration on or beneath Lake Maurepas or the Maurepas Swamp Wildlife Management Area shall include an environmental impact statement (EIS) meeting federal guidelines.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

According to the Department of Natural Resources, there would be increased costs to the Office of Coastal Management (OCM) to incorporate the required EIS into the Coastal Use Permit (CUP) application process specifically for these locations. The actual number of applications that might fall into this category is not known, but OCM estimates 5 permits would be a reasonable approximation. The cost to conduct the EIS would be the responsibility of the OCM, as it does not have authority in federal law or state statute to charge a fee for this service. Estimates on the costs provided by the department are \$1.8 M per application to conduct an EIS which meets National Environmental Policy Act (NEPA) standards.

The EIS would become part of the application file and factored into the CUP application review. Any added staff time to review the additional information would be absorbed in the routine application process; however, there could be added costs if advanced staff training on evaluating a NEPA compliant EIS is needed, or should OCM contract these services out to a private professional.

If the proposed bill is enacted, OCM would also be required to ask for the National Oceanic and Atmospheric Association (NOAA) to approve the new requirements as part of the Coastal Zone Management Act of 1972.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

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Interim Deputy Fiscal Officer