



**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**

Fiscal Note On: **HB 774** HLS 24RS 812  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 5, 2024	11:25 AM	<b>Author:</b> MCCORMICK
<b>Dept./Agy.:</b> Department of Energy and Natural Resources		<b>Analyst:</b> Richie Anderson
<b>Subject:</b> Eminent Domain		

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 Provides relative to eminent domain and compensation for mineral owners

In instances where the power of eminent domain is exercised to expropriate property for the purpose of Carbon Capture Sequestration, proposed law would require the mineral owner of the property to receive compensation for any stranded mineral reserves. Additionally, requires the party exercising eminent domain to cover any additional costs associated with drilling the CO2 plumes.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

The Department of Energy and Natural Resources (DENR) reports that the proposed law may change the economic viability and profitability of Carbon Capture and Sequestration (CCS) projects in Louisiana. Revenues may be impacted to the extent that facility operators are discouraged from participating in CCS in Louisiana. The fiscal impact is uncertain because of the unknown information surrounding mineral reserves and ownership, the economic feasibility of particular CCS projects, and the reaction of companies engaging in CCS activities. When a CCS project commences, the revenues generated contribute to the SGF, to dedications in the Mineral and Energy Operation Fund, the Carbon Dioxide Geologic Storage Trust Fund, and the parish governing authority where the injection site is located as seen in the table above.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Patrice Thomas**  
**Deputy Fiscal Officer**