

2024 Regular Session

HOUSE BILL NO. 937

BY REPRESENTATIVE GEYMANN

ENERGY/CONSERVATION: Provides relative to landowner liability for carbon dioxide sequestration

1 AN ACT

2 To amend and reenact R.S. 30:1104(A)(10) and 1109(A)(3) and to enact R.S. 30:1103(14)  
3 and 1109.1, relative to landowner liability for carbon dioxide sequestration; to  
4 provide for definitions; to clarify the parties responsible for obligations established  
5 by law; to provide for landowner liability; to direct the Louisiana State Law Institute  
6 to make technical changes; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 30:1104(A)(10) and 1109(A)(3) are hereby amended and reenacted  
9 and R.S. 30:1103(14) and 1109.1 are hereby enacted to read as follows:

10 §1103. Definitions

11 Unless the context otherwise requires, the words defined in this Section have  
12 the following meaning when found in this Chapter:

13 \* \* \*

14 (14) "Landowner" means any person who owns the surface and subsurface  
15 of land or water bottoms used for geologic storage, injection, or transportation of  
16 carbon dioxide who is not the owner or operator of the storage facility or carbon  
17 dioxide transmission pipeline or the generator of the carbon dioxide being handled

1 by either the facility or pipeline. The term "landowner" as used in this Chapter does  
2 not include the state.

3 §1104. Duties and powers of the commissioner; rules and regulations; permits

4 A. The office of conservation's actions under this Chapter shall be directed  
5 and controlled by the commissioner. The commissioner shall have authority to:

6 \* \* \*

7 (10) Promulgate rules and regulations requiring ~~interested persons~~ storage  
8 operators to place monitoring equipment of a type approved by the commissioner on  
9 all storage facilities, and ancillary equipment necessary and proper to monitor, verify  
10 carbon dioxide injections, and to prevent waste. It shall be a violation of this  
11 Chapter for any ~~person~~ operator to refuse to attach or install a monitor within a  
12 reasonable period of time when ordered to do so by the commissioner, or in any way  
13 to tamper with the monitors so as to produce a false or inaccurate reading.

14 \* \* \*

15 §1109. Cessation of storage operations; limited liability release

16 A.

17 \* \* \*

18 (3) Upon the issuance of the certificate of completion of injection operations,  
19 the storage operator, all generators of any injected carbon dioxide, all owners of  
20 carbon dioxide stored in the storage facility, landowners, and all owners otherwise  
21 having any interest in the storage facility shall be released from any and all future  
22 duties or obligations under this Chapter and any and all liability associated with or  
23 related to that storage facility which arises after the issuance of the certificate of  
24 completion of injection operations. The release from duties or obligations under this  
25 Chapter shall not apply to a current or former owner or operator of a storage facility  
26 when the duties or obligations arise from that owner or operator's noncompliance  
27 with applicable underground injection control laws and regulations prior to issuance  
28 of the certificate of completion of injection operations.

29 \* \* \*

1        §1109.1. Landowner liability limitation

2                A. A landowner shall not assume or have any liability associated with or  
3                related to carbon dioxide, at any time, by the mere fact of being a landowner or by  
4                the mere fact of entering a contract to allow his property to be used for geologic  
5                storage, injection, or transportation of carbon dioxide.

6                B. Nothing in this Section shall alter the terms of or supersede any  
7                contractual agreement between a landowner and an owner or operator of a storage  
8                facility, a carbon dioxide transmission pipeline, or a generator of the carbon dioxide.

9                Section 2. The Louisiana State Law Institute is hereby authorized and directed to  
10              alphabetize and renumber the definitions contained in R.S. 30:1103 and to correct any  
11              cross-references to the renumbered paragraphs if necessary, consistent with the provisions  
12              of this Act.

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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)]

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HB 937 Engrossed

2024 Regular Session

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**Abstract:** Defines "landowner" within the Geologic Sequestration of Carbon Dioxide Act and provides that surface and pore space owners are not liable for any claims related to the sequestration of carbon dioxide just because they are landowners or have entered into an agreement to their property to be used for carbon dioxide sequestration.

Present law establishes the La. Geologic Sequestration of Carbon Dioxide Act which provides definitions, authority of the commissioner of conservation, and duties and obligations of storage facility owners and operators.

Proposed law adds a definition for "landowner".

Present law authorizes the commissioner to promulgate rules for requiring interested persons to install monitoring equipment on storage facilities and equipment.

Proposed law changes the responsible party for installation of monitoring equipment from interested persons to storage operators.

Proposed law provides that landowners are not liable for carbon dioxide sequestration activities just because they are the landowner or because they have agreed to let their property be used for sequestration.

Proposed law specifies that nothing contained in proposed law can alter or supercede the terms of any contractual agreement entered into by a landowner.

Directs the La. State Law Institute to alphabetize and renumber the definitions contained in R.S. 30:1103 and to correct any cross-references that may need to be changed as a result of this renumbering.

(Amends R.S. 30:1104(A)(10) and 1109(A)(3); Adds R.S. 30:1103(14) and 1109.1)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Natural Resources and Environment to the original bill:

1. Make technical changes.
2. Add landowners to the list of parties who are released from liability when injection operations cease and a certificate of completion is issued.
3. Change the title of the proposed law regarding landowner liability from "Release of landowner liability" to "Landowner liability limitation".
4. Restate the liability provision of proposed law to provide that landowners are not liable for anything associated with the sequestration of carbon dioxide just because they are a landowner or have agreed to let their property be used for sequestration.
5. Exclude the state from the definition of "landowner".
6. Add a provision that nothing in proposed law will affect any contractual agreement entered into by a landowner.