

2024 Regular Session

HOUSE BILL NO. 810

BY REPRESENTATIVES GEYMANN AND JACOB LANDRY

NATURAL RESOURCES DEPT: Provides for the organization, duties, and responsibilities of the Dept. of Energy and Natural Resources

1 AN ACT

2 To amend and reenact R.S. 36:351(B) and (C), 354(A)(15) and (B)(2) and (6), 356(B),
3 357(B) and (C), 358(C) and (D)(2), 359(B)(1) and (2), 401(C)(1)(b)(i), and
4 405(A)(1)(b), to enact R.S. 36:354(A)(19), 356.1, 358(E) through (G), and
5 359(B)(4), and to repeal R.S. 36:408(I) and 409(C)(8), relative to the organization,
6 powers, duties, and functions of the Department of Energy and Natural Resources;
7 to create and provide for the office of enforcement, the office of energy, and the
8 office of land and water; to provide for the duties and functions of the secretary and
9 assistant secretaries of the Department of Energy and Natural Resources; to provide
10 relative to the office of conservation; to create and provide for the Louisiana Natural
11 Resources Trust Authority; to provide for the Louisiana oil spill coordinator; to
12 provide for the remediation of oil spills; to provide for the management of state lands
13 and water bottoms; to provide for certain rights of way and leasing on state lands and
14 water bottoms; to provide for an effective date; and to provide for related matters.

15 Be it enacted by the Legislature of Louisiana:

16 Section 1. R.S. 36:351(B) and (C), 354(A)(15) and (B)(2) and (6), 356(B), 357(B)
17 and (C), 358(C) and (D)(2), 359(B)(1) and (2), 401(C)(1)(b)(i), and 405(A)(1)(b) are hereby
18 amended and reenacted and R.S. 36:354(A)(19), 356.1, 358(E) through (G), and 359(B)(4)
19 are hereby enacted to read as follows:

1 §351. Department of Energy and Natural Resources; creation; domicile;
2 composition; purposes and functions

3 * * *

4 B. The Department of Energy and Natural Resources, through its offices and
5 officers, shall be responsible for the conservation, management, and development of
6 water, minerals, and other such natural resources of the state, including coastal
7 management, state water bottom management and permitting, the issuance of energy-
8 related rights of way on state water bottoms and state lands, and energy-related
9 leasing of state water bottoms and state lands as further set forth in law, but not
10 including except timber or and fish and wildlife and their habitats.

11 C.(1) The Department of Energy and Natural Resources shall be composed
12 of the executive office of the secretary, the office of management and finance, the
13 office of conservation, the office of mineral resources, the office of coastal
14 management, the office of enforcement, the office of energy, the office of land and
15 water, the Oilfield Site Restoration Commission, and other offices as shall be created
16 by law.

17 (2) Whenever the secretary determines that the administration of the
18 functions of the department may be more efficiently performed by eliminating,
19 merging, or consolidating existing offices or establishing new offices, he shall
20 present a plan therefor to the legislature for its approval by statute. In addition,
21 beginning January 15, 2026, and thereafter in the same year as the sunset of the
22 Department of Energy and Natural Resources, the secretary shall recommend to the
23 Senate Committee on Natural Resources and the House Committee on Natural
24 Resource and Environment to either terminate or continue the boards and
25 commissions provided for in this Chapter. Any recommendation to terminate a
26 board or commission shall include a plan to eliminate, merge, or consolidate the
27 functions and responsibilities of that board or commission.

28 * * *

1 §354. Powers and duties of secretary of natural resources

2 A. In addition to the functions, powers, and duties otherwise vested in the
3 secretary by law, the secretary shall:

4 * * *

5 (15) Set priorities for ~~coastal energy impact~~ program funds as provided in
6 R.S. ~~49:213-10(D)~~ 30:2483.

7 * * *

8 (19)(a) Organize, plan, supervise, direct, administer, execute, and be
9 responsible for the functions and programs relating to the deployment and operation
10 of energy infrastructure in this state in a manner that results in affordable and reliable
11 energy.

12 (b) Create and carry out a central, comprehensive, and unified energy and
13 natural resources data and information program which will collect, evaluate,
14 assemble, analyze, and disseminate data and information which is relevant to energy
15 and natural resource reserves, energy and natural resource production, demand, and
16 technology, and related economic and statistical information, or which is relevant to
17 the adequacy of energy and natural resources to meet demands for the near and
18 longer term future of the state.

19 B. The secretary shall have authority to:

20 * * *

21 (2) Appoint, subject to gubernatorial approval, advisory councils, boards,
22 and commissions necessary in the administration of the department or for providing
23 expertise within the department's jurisdiction, except as otherwise provided by law
24 or by executive order.

25 * * *

26 (6) Represent, or designate ~~the~~ an assistant secretary ~~of the office of~~
27 ~~conservation~~ to represent, the state in all matters involving or affecting the interest
28 of the state and its residents, relative to energy and natural resources within the
29 jurisdiction of the Department of Energy and Natural Resources before all federal

1 agencies, offices, and officials, and congressional committees, and in all judicial
2 actions arising out of the proceedings of the agencies, offices, and committees or in
3 relation thereto. Those employed or contracted with as provided by this Section shall
4 be entitled to represent the state and the secretary and to appear in the courts and
5 before agencies of this state or the agencies, officials, and courts of the United States
6 and of other states, to carry out the purposes of this Chapter.

7 * * *

8 §356. Undersecretary; functions; office of management and finance

9 * * *

10 B. The undersecretary shall direct and be responsible for the functions of the
11 office of management and finance and the Louisiana Natural Resources Trust
12 Authority within the Department of Energy and Natural Resources. In this capacity,
13 the undersecretary shall be responsible for accounting and budget control,
14 procurement and contract management, data processing, management and program
15 analysis, personnel management, and grants management for the department and all
16 of its offices, including all agencies transferred to the Department of Energy and
17 Natural Resources, except as otherwise specifically provided in this Title. The
18 undersecretary shall employ, appoint, remove, assign, and promote personnel as is
19 necessary for the efficient administration of the office of management and finance
20 and the Louisiana Natural Resources Trust Authority and the performance of its their
21 powers, duties, functions, and responsibilities, in accordance with applicable civil
22 service laws, rules, and regulations, and with policies and rules of the department,
23 all subject to budgetary control and applicable laws. The undersecretary shall
24 exercise all powers and authority granted to him in this Title subject to the overall
25 direction and control of the secretary.

26 * * *

27 §356.1. Louisiana Natural Resources Trust Authority; establishment; powers

28 A. The Louisiana Natural Resources Trust Authority, empowered and
29 governed by the State Mineral and Energy Board pursuant to R.S. 30:121, et seq.,

1 possesses the authorities outlined in this Chapter, operating in conjunction with and
2 through the State Bond Commission and the Louisiana Department of Treasury as
3 required by law. The authority shall develop a strategic plan outlining the financial
4 challenges facing energy and natural resources-related projects in the state and the
5 authority's plans and goals in addressing them. The authority may establish an
6 executive committee with delegated responsibilities, excluding interest rate
7 determinations.

8 B. The authority's powers shall also include the following:

9 (1) Setting financial obligations of operators or applicants, consistent with
10 the purposes, authorities, and functions of the Department of Energy and Natural
11 Resources and its officers.

12 (2) Indemnifying members, officers, and employees against liabilities.

13 (3) Executing necessary contracts and instruments.

14 (4) Entering agreements for deductions, payments, and the administration of
15 Paragraph (5) of this Subsection.

16 (5) Soliciting, accepting, and expending grants.

17 C. The authority may adopt rules and regulations in accordance with the
18 Administrative Procedure Act for the following purposes:

19 (1) Establishing residency requirements, participant limits, and account
20 accrual limits.

21 (2) Regulating substitutions, transfers, or other financial instruments
22 necessary to meet plugging or abandonment obligations.

23 (3) Setting interest rates with state treasurer approval.

24 (4) Handling abandoned accounts as provided by law.

25 (5) Adopting investment guidelines.

26 (6) Establishing procedures and standards for worthiness of applications.

27 (7) Establishing fees and other provisions necessary to implement this
28 Chapter.

1 §357. Assistant secretaries

2 * * *

3 B. ~~Except as otherwise expressly provided in this Title, the~~ The duties and
4 functions of each office and its assistant secretary shall be determined by the
5 secretary, and all of such duties and functions shall be exercised under the direct
6 supervision and control of the secretary.

7 C. ~~Except as otherwise provided in R.S. 36:801, each~~ Each assistant
8 secretary shall employ, appoint, remove, assign, and promote such personnel as is
9 necessary for the efficient administration of his office and its programs and the
10 performance of its powers, duties, functions, and responsibilities, in accordance with
11 applicable civil service laws, rules, and regulations, and with policies and rules of
12 the department, all subject to budgetary control and applicable laws.

13 * * *

14 §358. Offices; purposes and functions

15 * * *

16 C. The office of conservation, in accordance with law, shall exercise the
17 functions of the state with respect to the regulation, conservation, permitting,
18 compliance, and use of the natural resources of the state which are not specifically
19 within the jurisdiction of other state departments or agencies. Its functions shall
20 include but not be limited to the conservation of the oil and gas resources of the state
21 and matters pertaining thereto; the promotion and encouragement of exploration,
22 production, and refining efforts for oil, intrastate gas, and other hydrocarbons; the
23 control and allocation of energy supplies and distribution; the lease or construction
24 and operation of intrastate pipeline systems; the implementation and enforcement of
25 any emergency gas shortage allocation plan and the setting of priorities; regulation
26 of the minimum sale price of intrastate natural gas, and management of ground water
27 resources all in accordance with applicable laws.

28 D.

29 * * *

1 (2) Work in cooperation with ~~Louisiana State University and Agricultural~~
2 ~~and Mechanical College~~ the Center for Energy Studies to maintain current surface
3 and subsurface geological surveys of the state, or otherwise at the discretion of the
4 assistant secretary of the office of mineral resources or his designee; conduct
5 geological mapping; prepare geological hazards assessments and resource
6 inventories; and conduct process investigations and related studies.

7 E. The office of enforcement shall be responsible for the inspection of the
8 regulated community and the enforcement of laws and regulations within the
9 jurisdiction of the department, consistent with Act No. 548 of the 2006 Regular
10 Session of the Legislature.

11 F. The office of energy shall organize, plan, supervise, direct, administer,
12 execute, and be responsible for the functions and programs relating to the
13 deployment and operation of alternative energy infrastructure in this state in a
14 manner that results in affordable and reliable energy. The office of energy shall also
15 create and carry out a central, comprehensive, and unified energy data and
16 information program which will collect, evaluate, assemble, analyze, and
17 disseminate data and information which is relevant to energy resource reserves,
18 energy production, demand, and technology, and related economic and statistical
19 information, or which is relevant to the adequacy of energy resources to meet
20 demands in the near and longer term future of the state.

21 G. The office of land and water shall be responsible for the following:

22 (1) The administration of state water bottom management, the issuance of
23 energy-related rights of way on state water bottoms and state lands, and energy-
24 related leasing of state water bottoms and state lands as further set forth in law.

25 (2) The administration of groundwater, surface water, and other water
26 resources for quantity purposes, unless otherwise designated by the secretary
27 following adequate review set forth by rule.

1 §359. Transfer of agencies and functions to Department of Energy and Natural
2 Resources

3 * * *

4 B. The following agencies are transferred to the Department of Energy and
5 Natural Resources and shall exercise and perform their powers, duties, functions, and
6 responsibilities in accordance with the provisions of R.S. 36:802:

7 (1) State Department of Conservation (Article V, Section 18 and Article VI,
8 Section 1(C) of the 1921 Constitution of Louisiana made statutory by Article XIV,
9 Section 16(A)(2) and (3) of the 1974 Constitution of Louisiana; Part I of Chapter 1
10 of Subtitle I of Title 30 of the Louisiana Revised Statutes of 1950 and other
11 provisions of Title 30 that directly apply to the department), ~~except that the secretary,
12 deputy secretary, and undersecretary of the department shall have no authority to
13 exercise, review, administer, or implement the quasi judicial, licensing, permitting,
14 regulatory, rulemaking, or enforcement powers or decisions of the assistant secretary
15 of the office of conservation.~~ The assistant secretary shall be authorized to employ,
16 appoint, remove, assign, and promote personnel as is necessary for the efficient
17 administration required in making these decisions, in accordance with applicable
18 civil service laws, rules, and regulations, and with policies and rules, subject to
19 budgetary control of the Department of Energy and Natural Resources, and
20 applicable laws.

21 (2) State Mineral and Energy Board (R.S. 30:121 et seq.), except the
22 secretary of the Department of Energy and Natural Resources or his designee shall
23 be an ex officio member of the State Mineral and Energy Board. The State Mineral
24 and Energy Board shall retain the authority to lease for development and production
25 of minerals, oil, and gas, any lands belonging to the state, or the title to which is in
26 the public, including road beds, water bottoms, and land adjudicated to the state at
27 tax sale. The State Mineral and Energy Board shall retain supervision of all mineral
28 leases granted by the state, and it shall retain general authority to take action for and
29 on behalf of and to protect the interests of the state in accordance with the provisions

1 of Title 30 of the Louisiana Revised Statutes of 1950, as amended, and applicable
2 laws.

3 * * *

4 (4) Office of the oil spill coordinator (R.S. 30:2451 et seq.).

5 * * *

6 §401. Department of Public Safety and Corrections; public safety services;
7 corrections services; youth services; creation; domicile; composition;
8 purposes and functions

9 * * *

10 C.(1)

11 * * *

12 (b)(i) Public safety services shall include the office of management and
13 finance for public safety services, the office of state police, the office of legal affairs,
14 the office of motor vehicles, the office of state fire marshal, and code enforcement
15 and building safety, ~~and the office of the Louisiana oil spill coordinator~~ and shall
16 also include the deputy secretary of public safety services, the assistant secretaries
17 of the offices, and personnel necessary to carry out their functions.

18 * * *

19 §405. Deputy secretaries for public safety services, corrections services, and youth
20 services

21 A.(1) There shall be a deputy secretary for public safety services and a
22 deputy secretary for corrections services. Each shall be appointed by the secretary
23 and serve at the pleasure of the secretary at a salary fixed by the secretary, which
24 salary shall not exceed the amount approved for such position by the legislature
25 while in session. Each appointment by the secretary shall be submitted to the Senate
26 for confirmation. The duties and functions of the deputy secretaries provided for in
27 this Subsection shall be determined and assigned by the secretary, except that:

28 * * *

1 (b) Public safety services, including the office of state police, the office of
 2 legal affairs, the office of motor vehicles, the office of state fire marshal, and code
 3 enforcement and building safety, ~~the office of the Louisiana oil spill coordinator,~~ and
 4 their assistant secretaries; shall be under the supervision and direction of the deputy
 5 secretary for public safety services. The deputy secretary for public safety services
 6 shall be an ex officio member of each board and commission in the Department of
 7 Public Safety and Corrections which is related to the functions of public safety
 8 services. However, the deputy secretary may appoint a designee to be his
 9 representative as an ex officio member of each board and commission which is
 10 related to the functions of public safety services.

11 * * *

12 Section 2. R.S. 36:408(I) and 409(C)(8) are hereby repealed in their entirety.

13 Section 3. This Act shall become effective July 1, 2024; if vetoed by the governor
 14 and subsequently approved by the legislature, this Act shall become effective on July 1,
 15 2024, or on the day following such approval by the legislature, whichever is later.

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 810 Engrossed 2024 Regular Session Geymann

Abstract: Provides for the organization, offices, functions, and responsibilities of the Department of Energy and Natural Resources and its officers; creates the offices of enforcement, energy, and land and water; creates the Louisiana Natural Resources Trust Authority; transfers the Louisiana oil spill coordinator to the department; and provides for the management of state lands and water bottoms.

Present law establishes the Dept. of Energy and Natural Resources (DENR) and provides for its organization, offices, powers, duties, and functions.

Proposed law creates and provides for the functions of the following new offices within DENR:

- (1) The office of enforcement.
- (2) The office of energy.
- (3) The office of land and water.

Proposed law provides that the office of enforcement is to inspect the regulated community and enforce laws and regulations within DENR's jurisdiction.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

Proposed law provides that the office of energy is to manage functions and programs related to the deployment and operation of alternative energy infrastructure in this state and the unified energy data and information program.

Proposed law provides that the office of land and water is responsible for:

- (1) Management and permitting of state lands and water bottoms.
- (2) The issuance of energy-related rights of way on state lands and water bottoms.
- (3) Energy-related leasing of state lands and water bottoms.
- (4) Administration of groundwater, surface water, and other water resources for quantity purposes, unless otherwise provided by the secretary.

Proposed law transfers the La. Oil Spill Coordinator and its functions from the Department of Public Safety and Corrections to DENR.

Present law provides for the functions, powers, and duties of the secretary of DENR.

Proposed law adds duties, responsibilities, and functions of the secretary related to the deployment and operation of energy infrastructure in the state and an energy and natural resources data and information program.

Present law requires that if the secretary determines that the department could operate more efficiently, he must present plans for improvement to the legislature.

Proposed law retains present law and adds that beginning Jan. 15, 2026, and every year thereafter that the department is scheduled to sunset, the secretary must submit recommendations to either terminate or continue each board and commission within the department to the House and Senate committees on natural resources. Specifies that recommendations to terminate a board or commission must include plans for how to handle that board or commissions functions and responsibilities going forward.

Present law authorizes the secretary to appoint advisory councils, boards, and commissions for the administration of the department.

Proposed law further authorizes the secretary to appoint advisory councils, boards, and commissions for providing expertise within the department's jurisdiction.

Present law authorizes the secretary to designate the assistant secretary of the office of conservation to represent the state in matters relative to energy and natural resources and within the jurisdiction of DENR.

Proposed law authorizes the secretary to designate any assistant secretary of DENR to represent the state in matters relative to energy and natural resources and within the jurisdiction of DENR.

Proposed law creates the La. Natural Resources Trust Authority within DENR and provides for its functions, including the development of strategic plans to address financial challenges facing energy and natural resources-related projects in the state, and the authority to establish an executive committee with delegated responsibilities other than rate determinations.

Proposed law further provides that the authority has the power to do the following:

- (1) Set financial obligations of operators or applicants, consistent with the purposes, authorities, and functions of the DENR and its officers.
- (2) Indemnify members, officers, and employees against liabilities.
- (3) Execute necessary contracts and instruments.
- (4) Enter agreements for deductions, payments, and the administration of grants.

- (5) Solicit, accept, and expend grants.

Proposed law further provides that the authority has the power to promulgate rules regarding the following:

- (1) Residency requirements, participant limits, and account accrual limits.
- (2) Substitutions, transfers, or other financial instruments necessary to meet plugging or abandonment obligations.
- (3) Interest rates with state treasurer approval.
- (4) Abandoned accounts as provided by law.
- (5) Investment guidelines.
- (6) Procedures and standards for worthiness of applications.
- (7) Fees and other provisions necessary to implement the authority's functions.

Present law establishes the functions and responsibilities of the undersecretary of DENR, including the responsibility for the office of management and finance, accounting, and budgetary control.

Proposed law adds that the undersecretary is responsible for the La. Natural Resources Trust Authority and its functions.

Present law establishes the office of conservation and provides for its purposes and functions.

Proposed law adds permitting and compliance to the functions exercised by the office of conservation.

Present law provides for cooperation between the office of conservation and La. State University and Agricultural and Mechanical College regarding geological surveys, mapping, assessments, and inventories of the state.

Proposed law provides for cooperation with the Center for Energy Studies rather than La. State University and Agricultural and Mechanical College.

Present law limits the authority of the secretary, deputy secretary, and undersecretary of the department to exercise, review, administer, or implement the quasi judicial, licensing, permitting, regulatory, rulemaking, and enforcement powers of the assistant secretary of the office of conservation.

Proposed law removes this limitation.

Effective July 1, 2024.

(Amends R.S. 36:351(B) and (C), 354(A)(15) and (B)(2) and (6), 356(B), 357(B) and (C), 358(C) and (D)(2), 359(B)(1) and (2), 401(C)(1)(b)(i), and 405(A)(1)(b); Adds R.S. 36:354(A)(19), 356.1, 358(E) through (G), and 359(B)(4); Repeals R.S. 36:408(I) and 409(C)(8))

Summary of Amendments Adopted by House

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

1. Change the effective date of the Act from upon the governor's signature to July 1, 2024.