



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 783** HLS 24RS 810
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 23, 2024 8:42 AM	Author: MCCORMICK
Dept./Agy.: Departement of Energy and Natural Resources	Analyst: Richie Anderson
Subject: Eminent Domain	

ENERGY/CONSERVATION EG SEE FISC NOTE GF RV See Note Page 1 of 1
 Provides relative to eminent domain and compensation for pore space owners

In cases where the power of eminent domain is exercised to expropriate property including pore space for the purpose of Carbon Capture and Sequestration, proposed law would require the landowner to receive compensation no less than the maximum amount paid to any other landowner in the expropriation proceeding. Furthermore, it specifies that this compensation for the pore space owner will be calculated on a per-acre basis. The provisions of the proposed law shall not apply when a existing contract is present between the landowner and the storage operator.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

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

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 the amount of expropriation of pore space that will be needed, 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
 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}


Patrice Thomas
 Deputy Fiscal Officer