

1 WHEREAS, Act 378 of the 2023 Regular Session of the Legislature updated many
2 provisions of the 2009 laws and established a new dedication of thirty percent of the CCS
3 revenue collected on state lands and water bottoms for the parishes where the carbon dioxide
4 storage facility is located; and

5 WHEREAS, the 2023 Act did not provide for the dedication of any revenue from
6 CCS on private lands and this distinction has continued to be a concern expressed by the
7 public and parish governments; and

8 WHEREAS, House Bill No. 73 of the 2024 Regular Session of the Legislature
9 proposed to authorize parishes to levy a tax on carbon dioxide injected for geologic
10 sequestration; and

11 WHEREAS, parish and municipal governments are responsible for many of the
12 public services that impact citizens' lives on a daily basis such as law enforcement, fire
13 protection, parks and recreation, schools, local roads, garbage disposal, land use regulations,
14 and many other services; and

15 WHEREAS, sequestering carbon dioxide may result in additional local government
16 responsibilities and expenses; and

17 WHEREAS, as is true of government at every level, parish and municipal
18 governments are dependent on revenue streams such as fines, fees, and taxes to fund the
19 services they provide and are obligated to find the balance between increasing revenue
20 streams and curtailing services, neither of which are appealing to citizens; and

21 WHEREAS, the legislature should give serious consideration to any opportunity that
22 allows parish and municipal governments to sustain themselves without unnecessarily
23 burdening those who live in work within their respective jurisdictions; and

24 WHEREAS, the generation of revenue for local governments from CCS, such as a
25 tax on the injection of carbon dioxide for storage purposes, is a new concept and many
26 aspects of such a policy have yet to be determined; and

27 WHEREAS, the House of Representatives requires information on revenue raising
28 models and opportunities, mechanisms for determining the value of various assets involved
29 in the process, methods for collecting revenue generated, and appropriate rates for bonuses,

1 rentals, injection rates, and other possible revenue streams that would not unduly restrict the
2 sequestration of carbon dioxide.

3 THEREFORE, BE IT RESOLVED that the House of Representatives of the
4 Legislature of Louisiana requests the House Committee on Natural Resources and
5 Environment to study potential revenue streams for local government from carbon dioxide
6 storage and to report its findings to the House of Representatives prior to the convening of
7 the 2025 Regular Session.

DIGEST

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HSR 5 Original

2024 Regular Session

Mack

Requests the House Committee on Natural Resources and Environment to study potential revenue streams for local government from carbon dioxide storage and to report its findings to the House of Representatives prior to the convening of the 2025 Regular Session.