

2025 Regular Session

HOUSE BILL NO. 548

BY REPRESENTATIVE LACOMBE

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

ENERGY: Provides for the dedication of revenue from carbon dioxide sequestration on state lands and water bottoms

1 AN ACT

2 To amend and reenact R.S. 30:149(B)(introductory paragraph) and (C) and
3 209.2(B)(introductory paragraph) and (C) and R.S. 56:765 and to enact R.S. 30:149.1
4 and 209.3, relative to revenue from carbon dioxide sequestration on state property;
5 to provide for the distribution of revenue from carbon dioxide sequestration on
6 property owned by the state and state agencies; to provide for the distribution of
7 revenue received by the Department of Wildlife and Fisheries and the Louisiana
8 Wildlife and Fisheries Commission from carbon dioxide sequestration; to provide
9 for prior acts of donation accepted by the Department of Wildlife and Fisheries and
10 the Louisiana Wildlife and Fisheries Commission; to dedicate revenue to the
11 Conservation Fund; to dedicate revenue to local governing authorities; and to
12 provide for related matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 30:149(B)(introductory paragraph) and (C) and
15 209.2(B)(introductory paragraph) and (C) are hereby amended and reenacted and R.S.
16 30:149.1 and 209.3 are hereby enacted to read as follows:

17 §149. Storage of carbon dioxide; distribution of funds; sovereign state lands

18 * * *

19 B. Any revenues collected by the office of mineral resources pursuant to any
20 contractual agreement for the storage of carbon dioxide beneath ~~state-owned land or~~

1 ~~water bottoms~~ public lands as defined in R.S. 41:1701 and dried lake beds that were
2 formerly navigable and remain owned by the state shall be immediately forwarded
3 to the state treasurer for deposit into the state treasury. After complying with the
4 provisions of Article VII, Section 9(B) of the Constitution of Louisiana relative to
5 the Bond Security and Redemption Fund, the state treasurer shall remit the funds as
6 follows:

7 * * *

8 C. ~~Nothing in this Section shall impact existing constitutional or statutory~~
9 ~~dedications from funds collected by the office of mineral resources on behalf of a~~
10 ~~state department or an agency as defined in R.S. 30:151. This Section shall not be~~
11 construed to apply to property owned by state agencies or local governmental
12 entities.

13 §149.1. Storage of carbon dioxide; distribution of funds; state agency property

14 A. Upon commencement of Class VI injection operations for the geologic
15 storage of carbon dioxide beneath any land or water bottoms owned by a state
16 agency, whether owned in a public or private capacity, any injection-based revenue
17 collected by the state agency, or by the office of mineral resources on behalf of that
18 agency, shall be immediately forwarded to the state treasurer for deposit into the
19 state treasury. After complying with the provisions of Article VII, Section 9(B) of
20 the Constitution of Louisiana relative to the Bond Security and Redemption Fund,
21 the state treasurer shall remit the funds as provided in this Section.

22 B. Pursuant to the authority granted to the legislature by Article VII, Section
23 10-A(A)(1) of the Constitution of Louisiana, for injection-based revenue collected
24 on behalf of the Department of Wildlife and Fisheries or the Wildlife and Fisheries
25 Commission, the revenue shall be distributed as follows:

26 (1) Thirty percent of the revenue shall be remitted to the governing authority
27 of the parish or parishes within the area of review of the storage facility. If more
28 than one parish is included in the area of review, each parish shall be entitled to a

1 proportionate share of the revenue based on the relative proportion of surface area
2 directly above the area of review located in each parish.

3 (2) The remainder shall be deposited into the Louisiana Wildlife and
4 Fisheries Conservation Fund.

5 C. For injection-based revenue collected on behalf of any other state agency,
6 the revenue shall be distributed as follows:

7 (1) Thirty percent of the revenue shall be remitted to the governing authority
8 of the parish or parishes within the area of review of the storage facility. If more
9 than one parish is included in the area of review, each parish shall be entitled to a
10 proportionate share of the revenue based on the relative proportion of surface area
11 directly above the area of review located in each parish.

12 (2) The remainder shall be deposited into the state general fund.

13 D. For the purposes of this Section, the term "injection-based revenue"
14 includes, but is not limited to, injection fees, contractual minimum guaranteed annual
15 payments, and any other revenue derived from injection operations. Revenue
16 collected from bonuses, rentals, pipeline rights-of-way, or other payments for surface
17 use or surface facilities are not included in the distribution required by this Section.

18 E. The state agency, or the office of mineral resources on behalf of that
19 agency, shall submit a monthly report to the Department of the Treasury and the
20 relevant parish governing authority itemizing the prior month's collections from
21 injection operations for each storage facility.

22 F. Upon request of a parish entitled to revenue pursuant to this Section, the
23 Department of Energy and Natural Resources is authorized to disclose to the parish
24 governing authority any storage facility data that is relevant to the calculation of
25 payments due.

26 G. This Section only applies to property owned by state agencies and shall
27 not be construed to apply to local governmental entities.

28 * * *

§209.2. Storage of carbon dioxide; distribution of funds; sovereign state lands

* * *

B. Any revenues collected by the office of mineral resources pursuant to any contractual agreement for the storage of carbon dioxide beneath ~~state-owned land or water bottoms~~ public lands as defined in R.S. 41:1701 and dried lake beds that were formerly navigable and remain owned by the state shall be immediately forwarded to the state treasurer for deposit into the state treasury. After complying with the provisions of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, the state treasurer shall remit the funds as follows:

* * *

C. ~~Nothing in this Section shall impact existing constitutional or statutory dedications from funds collected by the office of mineral resources on behalf of a state department or an agency as defined in R.S. 30:151.~~ This Section shall not be construed to apply to property owned by state agencies or local governmental entities.

§209.3. Storage of carbon dioxide; distribution of funds; state agency property

A. Upon commencement of Class VI injection operations for the geologic storage of carbon dioxide beneath any land or water bottoms owned by a state agency, whether owned in a public or private capacity, any injection-based revenue collected by the state agency, or by the office of mineral resources on behalf of that agency, shall be immediately forwarded to the state treasurer for deposit into the state treasury. After complying with the provisions of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, the state treasurer shall remit the funds as provided in this Section.

B. Pursuant to the authority granted to the legislature by Article VII, Section 10-A(A)(1) of the Constitution of Louisiana, for injection-based revenue collected on behalf of the Department of Wildlife and Fisheries or the Wildlife and Fisheries Commission, the revenue shall be distributed as follows:

1 (1) Thirty percent of the revenue shall be remitted to the governing authority
2 of the parish or parishes within the area of review of the storage facility. If more
3 than one parish is included in the area of review, each parish shall be entitled to a
4 proportionate share of the revenue based on the relative proportion of surface area
5 directly above the area of review located in each parish.

6 (2) The remainder shall be deposited into the Louisiana Wildlife and
7 Fisheries Conservation Fund.

8 C. For injection-based revenue collected on behalf of any other state agency,
9 the revenue shall be distributed as follows:

10 (1) Thirty percent of the revenue shall be remitted to the governing authority
11 of the parish or parishes within the area of review of the storage facility. If more
12 than one parish is included in the area of review, each parish shall be entitled to a
13 proportionate share of the revenue based on the relative proportion of surface area
14 directly above the area of review located in each parish.

15 (2) The remainder shall be deposited into the state general fund.

16 D. For the purposes of this Section, the term "injection-based revenue"
17 includes, but is not limited to, injection fees, contractual minimum guaranteed annual
18 payments, and any other revenue derived from injection operations. Revenue
19 collected from bonuses, rentals, pipeline rights-of-way, or other payments for surface
20 use or surface facilities are not included in the distribution required by this Section.

21 E. The state agency, or the office of mineral resources on behalf of that
22 agency, shall submit a monthly report to the Department of the Treasury and the
23 relevant parish governing authority itemizing the prior month's collections from
24 injection operations for each storage facility.

25 F. Upon request of a parish entitled to revenue pursuant to this Section, the
26 Department of Energy and Natural Resources is authorized to disclose to the parish
27 governing authority any storage facility data that is relevant to the calculation of
28 payments due.

- 1 G. This Section only applies to property owned by state agencies and shall
 2 not be construed to apply to local governmental entities.
 3 Section 2. R.S. 56:765 is hereby amended and reenacted to read as follows:
 4 §765. Donations for wildlife refuges, wildlife management areas, and public hunting
 5 grounds; applicability of certain laws
 6 The provisions of R.S. 30:148.1 through 148.7, 149.1 and 209.3 and R.S.
 7 47:648.1 shall not authorize the breach of any term or condition of any donation
 8 which ~~has been~~ was accepted by the state prior to August 1, 2025, involving any
 9 state wildlife refuge, wildlife management area, or public hunting ground.

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 548 Reengrossed

2025 Regular Session

LaCombe

Abstract: Dedicates 30% of injection-based revenue received by the state for carbon dioxide sequestration on property owned by the Department of Wildlife and Fisheries and the Wildlife and Fisheries Commission to local governing authorities where the property is located.

Present law provides for the following distribution of funds collected by the office of mineral resources from any contractual agreements for the storage of carbon dioxide on state-owned lands or water bottoms:

- (1) 30% to the Mineral and Energy Operation Fund.
- (2) 30% to parishes included in the agreement. If one or more parishes is included in the agreement, the 30% will be divided based on the amount of land in each parish included in the agreement.
- (3) The remaining funds are deposited into the state general fund.

Present law excludes from the present law distribution all existing constitutional and statutory dedications of funds collected by the office of mineral resources on behalf of a state agency.

Proposed law limits the present law distribution to public lands as defined in present law (R.S. 41:1701) and formerly navigable dried lake beds that remain owned by the state and removes the exclusion for constitutional and statutorily dedicated funds.

Proposed law dedicates 30% of injection-based revenue received by state agencies for carbon dioxide sequestration projects on property owned by state agencies to parishes within the area of review for the storage facility.

Proposed law further provides that any remaining injection-based revenue collected by the Dept. of Wildlife and Fisheries or the Wildlife and Fisheries Commission must be deposited into the La. Wildlife and Fisheries Conservation Fund.

Proposed law further provides that any remaining injection-based revenue collected by any other state agency must be deposited into the state general fund.

Proposed law provides a definition for "injection-based revenue."

(Amends R.S. 30:149(B)(intro. para.) and (C) and 209.2(B)(intro. para.) and (C) and R.S. 56:765; Adds R.S. 30:149.1 and 209.3)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Limit the distribution of revenue required under present law to public lands as defined in present law (R.S. 41:1701) and formerly navigable dried lake beds that remain owned by the state.
2. Add new proposed law dedicating 30% of injection-based revenue received by state agencies from carbon dioxide sequestration beneath property owned by state agencies.
3. Add a provision requiring the remaining injection-based revenue received by the Dept. of Wildlife and Fisheries be deposited into the La. Wildlife and Fisheries Conservation Fund.
4. Add a provision requiring the remaining injection-based revenue received by all other state agencies be deposited into the state general fund.
5. Add a definition of "injection-based revenue".
6. Remove a provision of proposed law stating that the use of dedicated revenue under proposed law by parish governing authorities may be restricted to comply with any conditions placed on donations of land to the Dept. of Wildlife and Fisheries.
7. Make technical changes.