



**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**

Fiscal Note On: **HB 899** HLS 26RS 567  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 23, 2026 9:30 AM	<b>Author:</b> CARTER, ROBBY
<b>Dept./Agy.:</b> Conservation & Energy	
<b>Subject:</b> Reclamation of Land following Non-Coal Surface Mining	<b>Analyst:</b> Mimi Blanchard

NATURAL RESOURCES DEPT OR INCREASE GF EX See Note Page 1 of 2  
 Provides with respect to land reclamation following non-coal mining

Proposed law creates the Louisiana Noncoal Surface Mining Law to establish a statewide regulatory program for noncoal surface mining and land reclamation and grants the Department of Conservation and Energy (C&E) exclusive jurisdiction over such program. Proposed law requires all new operators to apply for the a newly required permit (established in the bill) and existing operators to apply for the permit within six months of the effective date of the bill. Fees associated with permit applications are \$1,000, payable every five years for the life of the mine, and authorizes fees of up to \$500 for amended permit applications, deposited into the Noncoal Mine Land Reclamation Fund. Proposed law establishes a reclamation fee of \$0.03 per ton on the sale of surface-mined minerals, deposited to SGF. Proposed law authorizes civil penalties of up to \$1,000 per violation per day for violations of permit conditions or other provisions of the chapter and establishes misdemeanor penalties for operating a noncoal surface mining operation without a required permit, with fines ranging from \$50 to \$1,000 per day of violation, deposited to SGF. Proposed law also exempts certain noncommercial and public works-related activities, including lands or water bottoms under the jurisdiction of the Department of Wildlife and Fisheries (LDWF) or political subdivisions.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Agy. Self-Gen.	<b>SEE BELOW</b>					
Ded./Other	<b>SEE BELOW</b>					
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>

**EXPENDITURE EXPLANATION**

C&E reports that proposed law will result in an increase in expenditures greater than \$2.3 M annually, plus 17 T.O. positions, to administer the noncoal surface mining regulatory program, including permit review, inspections, enforcement activities, and administration of the program. These positions include one (1) Petroleum Scientist Administrator, three (3) Petroleum Scientist Manager 1 positions, ten (10) Petroleum Scientist 3 positions, and three (3) Conservation Enforcement Specialist 3 positions. Additional expenditures will be required for vehicles, equipment, travel, office supplies, and other operating costs necessary to support permitting, inspection, and enforcement activities associated with the program. MOF is assumed to be SGF, as the bill does not specifically create the Noncoal Mine Land Reclamation Fund as a fund in the state treasury, nor authorize uses of monies within it. Salaries and related benefits of each position are listed below (including an annual 3% market rate adjustment). C&E did not provide cost estimates for operating services and acquisitions.

	FY 27	FY 28	FY 29	FY 30	FY 31
<b>Petroleum Scientist Administrator (1)</b>					
Salary	\$ 137,738	\$ 141,870	\$ 146,126	\$ 150,510	\$ 155,025
Related benefits	\$ 55,095	\$ 56,748	\$ 58,450	\$ 60,204	\$ 62,010
<b>Petroleum Scientist Manager 1 (3)</b>					
Salary	\$ 337,335	\$ 347,455	\$ 357,879	\$ 368,615	\$ 379,674
Related benefits	\$ 134,934	\$ 138,982	\$ 143,151	\$ 147,446	\$ 151,869
<b>Petroleum Scientist 3 (10)</b>					
Salary	\$ 917,700	\$ 945,231	\$ 973,588	\$ 1,002,796	\$ 1,032,879
Related benefits	\$ 367,080	\$ 378,092	\$ 389,435	\$ 401,118	\$ 413,152
<b>Conservation Enforcement Specialist 3 (3)</b>					
Salary	\$ 171,474	\$ 176,618	\$ 181,917	\$ 187,374	\$ 192,995
Related benefits	\$ 68,590	\$ 70,647	\$ 72,767	\$ 74,950	\$ 77,198
<b>TOTAL</b>	<b>\$2,189,946</b>	<b>\$2,255,644</b>	<b>\$2,323,313</b>	<b>\$2,393,013</b>	<b>\$2,464,803</b>

*NOTE: The LFO cannot corroborate the workload demand illustrated by C&E. The magnitude of any expenditure or workload increase is uncertain. The LFO acknowledges that the new responsibilities will likely result in a significant workload increase and a significant expenditure increase in excess of \$100,000, assumed to be SGF in this fiscal note. Should additional information regarding estimated expenditures become available, this fiscal note will be updated.*

**EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO**

**REVENUE EXPLANATION**

Proposed law is anticipated to result in a significant increase in SGF revenue and an increase in revenues deposited into the statutorily dedicated Noncoal Mine Land Reclamation Fund.

Reclamation fees of \$0.03 per ton on the sale of surface-mined minerals will result in an indeterminable increase in revenues to SGF. The

**REVENUE EXPLANATION CONTINUED ON PAGE TWO**

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input checked="" type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

Treasury requires certain resources to create and administer a statutory dedication, as in this bill. Should aggregate session action result in the creation of funds beyond that which can be absorbed within existing resources, additional funding may be required, which is assumed to be SGR in this fiscal note.

REVENUE EXPLANATION CONTINUED FROM PAGE ONE

magnitude of this increase will depend on the volume of surface-mined minerals produced in Louisiana. Based on data prepared by the U.S. Geological Survey (USGS), in 2019 Louisiana produced 15.4 million metric tons of salt, 11.9 million metric tons of construction sand and gravel, and 2.68 million metric tons of Industrial sand and gravel. Assuming the volume of these produced materials is representative of current production levels, the \$0.03 per ton reclamation fee would generate approximately \$899,400 annually to be deposited into the SGF. USGS reports that clay, gypsum and crushed stone are also mined in Louisiana, but precise tonnage is not publicly available.

Civil penalties of up to \$1,000 per violation per day may be imposed for violations of permit conditions or other provisions of the chapter, and misdemeanor penalties ranging from \$50 to \$1,000 per day may be imposed for operating a noncoal surface mining operation without a required permit, with revenues deposited to the SGF. To the extent violations occur, revenues to the SGF may increase; however, violations cannot be foreseen and therefore any resulting revenue cannot be quantified.

Revenues to the statutorily dedicated Noncoal Mine Land Reclamation Fund will increase by \$1,000 for each new permit application (payable every five years for the life of the mine) and \$500 for any amended permit applications. There are currently approximately 72 taxpayers remitting severance taxes for mined resources in Louisiana (excluding 14 taxpayers with unknown payers and no returns). While this does not necessarily correspond to the exact number of noncoal mining operations, it provides a reasonable reference point for estimating potential permit applicants under the proposed law. To the extent that these operations are required to obtain permits within six months of the bill's effective date, application fees of \$1,000 per permit could generate approximately \$72,000 in revenues deposited to the Noncoal Mine Land Reclamation Fund. Proposed law does not expressly establish the Noncoal Mine Land Reclamation Fund in the Treasury, nor specify authorized uses of monies in the fund.

Without knowing the specific total volume of noncoal surface mined materials, the LFO is unable to quantify a certain revenue impact. While revenues specifically generated by proposed law are expected to exceed the significant threshold for dual referral under Senate Rule 13.5.2, total collections are not anticipated to be sufficient to cover expenditures as estimated by C&E (see Expenditure explanation above).

Proposed law provides that the noncoal mine land reclamation activity shall be funded by monies granted by the federal government and/or monies appropriated by the legislature for this purpose. The LFO cannot determine whether any such grants shall be awarded or appropriations made by the legislature, therefore funding levels are indeterminable. Proposed law further directs that any revenues provided pursuant to this section shall be deposited into the SGF. There is no mechanism to transfer federal monies into the SGF in current law.

Senate Dual Referral Rules
[X] 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
[X] 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
[X] 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}

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