

GREEN SHEET REDIGEST

HB 423

2017 Regular Session

Leopold

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

**ENVIRONMENT/WATER: Authorizes the secretary of the Louisiana Department of Environmental Quality to establish and administer a water quality trading program**

DIGEST

Present law authorizes the secretary of Dept. of Environmental Quality to adopt and promulgate rules and regulations that implement a point source to point source effluent reduction credit banking system in watersheds where the department has implemented Total Maximum Daily Load limitations.

Proposed law removes authority of the current banking program and authorizes the secretary to adopt and promulgate rules and regulations that implement a water quality trading program that may include point source and nonpoint source participation.

Proposed law requires the regulations of the program provide for criteria for certifying, generating, quantifying, and validating credits; the geographical limitations on the use of credits; monitoring, certifying, generating, use, banking, term, enforcement, and sale of credits; required approvals of the department relating to credits; recordkeeping; and compliance with federal and state laws and regulations.

Proposed law authorizes a pilot project to aid in the development of a water quality trading program prior to the adoption of regulations authorized by proposed law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 30:2074(B)(9)(a) and (b); Repeals R.S. 30:2074(B)(9)(c)-(e))

Summary of Amendments Adopted by House

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

1. Change matters the regulations must provide for from the life of banked credits to the term of the banked credits.
2. Clarify that nonpoint sources may participate in the program by written agreement between the department and the governmental entity with jurisdiction over the nonpoint source.
3. Make technical changes.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Environmental Quality to the engrossed bill

1. Adds "certifying" and "generating" as criteria for the validation, approval, and sale of banked credits.
2. Removes demonstration project from that which may be used to aid in the development of a water quality trading program prior to the adoption of regulations.