

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



Fiscal Note On: **HB 163** HLS 19RS 729

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> June 18, 2019 7:56 AM	<b>Author:</b> CREWS
<b>Dept./Agy.:</b> Department of Natural Resources	<b>Analyst:</b> David Neef
<b>Subject:</b> Relative to the storage of carbon dioxide	

CONSERVATION/COMMISSR EN NO IMPACT See Note Page 1 of 1  
Relative to responsibilities for actions related to sequestration of carbon dioxide

Present law requires that a storage operator shall be held or deemed responsible for the performance of any actions required by the commissioner.

Present law defines a "storage operator" as the person authorized by the commissioner to operate a storage facility. A storage container can, but need not be, the owner of carbon dioxide injected into a storage facility. Ownership of carbon dioxide and use of geologic storage is a matter of private contract between the storage operator and owner, shipper, or generator of carbon dioxide, as applicable.

Proposed law specifies that unless the person is the owner or operator of the facility or activity regulated, the owner, shipper, or generator of carbon dioxide shall not be deemed responsible for the performance of any actions required by the commissioner.

<b>EXPENDITURES</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>REVENUES</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>5 -YEAR TOTAL</b>
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<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

The change is intended to make state law consistent with federal law in the event the state chooses to apply for primacy over Carbon Dioxide Sequestration, but will have no financial impact on how the regulations are implemented. If the state applied for primacy, there would be significant financial costs associated with the state adopting a carbon dioxide sequestration evaluation program, however, the proposed change in this legislation would neither add nor detract from those expenses.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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}

*Evan Brasseaux*  


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**Evan Brasseaux**  
**Staff Director**