

SENATE BILL NO. 245

BY SENATOR ALLAIN AND REPRESENTATIVE COUSSAN

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AN ACT

To amend and reenact R.S. 30:83(F)(7), 86(E)(2), 89(C)(3), and 92(A) and (C), to enact R.S. 30:83(F)(8), 84(A)(3) and (8), and to repeal R.S. 30:85(B), to provide for the Louisiana Oilfield Site Restoration Law; to provide for the Oilfield Site Restoration Fund; to provide for the powers and duties of the Oilfield Site Restoration Commission and the secretary and assistant secretary of the Department of Natural Resources; to provide for contracts for site assessment or restoration; to provide for an executive director; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 30:83(F)(7), 86(E)(2), 89(C)(3), and 92(A) and (C) are hereby amended and reenacted and R.S. 30:83(F)(8), 84(A)(3) and (8) are hereby enacted to read as follows:

§83. Oilfield Site Restoration Commission; Department of Natural Resources

* * *

F. The powers of the commission shall be limited to the following:

* * *

(7) Request from the executive director, by a majority vote, any information regarding any matter concerning their powers numerated in this Section. Additionally, the commission may request the secretary to review the appointment of the serving executive director upon a two-third vote of the appointed members of the commission.

(8) Perform any function authorized by this Part or which is consistent with its purpose and not otherwise assigned by this Part to the secretary or assistant secretary.

* * *

1 §84. Powers of the secretary

2 A. The powers of the secretary shall include without limitation the power to
3 do the following:

4 * * *

5 **(3) Employ, appoint, remove, assign, and promote from any funding**
6 **sources authorizing administrative costs, such personnel as is necessary for the**
7 **efficient administration of this Part, including the appointment of an executive**
8 **director who shall be an unclassified employee. In addition to any other powers,**
9 **duties, functions, and responsibilities defined by the secretary, the executive**
10 **director shall assist the secretary in the efficient administration of this Part.**

11 * * *

12 **(8) Authorize, upon a finding of economic justification, the closure and**
13 **restoration of nonpriority orphaned oilfield sites that may be packaged together**
14 **as projects. This authority shall be used to decrease in a cost effective manner**
15 **the total number of orphaned wells. Excluding expenses of money deposited**
16 **pursuant to R.S. 30:86(D)(9) or (10) or emergency response costs pursuant to**
17 **R.S. 30:6.1, 86(E)(5), and 92, the cost of closing and restoring nonpriority**
18 **orphaned oilfield sites shall not exceed twenty percent of the amount expended**
19 **from the Oilfield Site Restoration Fund in any fiscal year, unless otherwise**
20 **approved by the commission.**

21 * * *

22 §86. Oilfield Site Restoration Fund

23 * * *

24 E. Except as otherwise provided in this Section, the monies in the fund may
25 be disbursed and expended pursuant to the authority and direction of the secretary
26 or assistant secretary for the following purposes and uses:

27 * * *

28 (2) Upon approval of the commission, the administration of this Part by the
29 department in an amount not to exceed nine hundred fifty thousand dollars each
30 fiscal year. **Amounts expended pursuant to Paragraph (4) of this Subsection**

1 **shall not count towards the administrative expenditure limitation.**

2 * * *

3 §89. Non-orphan site restoration

4 * * *

5 C. For sites restored pursuant to Subsections A and B of this Section, after
6 site restoration has been completed and approved by the assistant secretary, funds
7 from the site-specific trust account will be disbursed as follows:

8 * * *

9 (3) If the funds in the site-specific trust account are depleted prior to the
10 payment of all site restoration costs, and if the assistant secretary **subsequently**
11 declares that oilfield site to be an orphaned oilfield site **and upon approval of the**
12 **commission**, the Oilfield Site Restoration Fund shall contribute the balance of the
13 restoration costs for that orphaned oilfield site.

14 * * *

15 §92. Orphan site restoration

16 A. The ~~assistant~~ secretary is hereby authorized ~~to conduct site restoration on~~
17 ~~any site declared to be an orphaned oilfield site. The secretary or assistant secretary~~
18 ~~may to~~ expend sums from the fund and enter into contracts for the purpose of site
19 restoration **on any site declared to be an orphaned oilfield site. The assistant**
20 **secretary may conduct site restoration, expend sums from the fund, and enter**
21 **into contracts for the purpose of site restoration to respond to an emergency as**
22 **provided in R.S. 30:6.1.**

23 * * *

24 C. A contract for site assessment or site restoration shall require a formal bid
25 process. All contracts herein shall be exempt from the provisions of the Public Bid
26 Law and the Louisiana Procurement Code; however, before this exemption from the
27 Public Bid Law and the Louisiana Procurement Code can be effective the assistant
28 secretary shall promulgate rules in accordance with the Administrative Procedure
29 Act to set forth the procedures, which, to the extent practicable, shall be in
30 substantial compliance with the Public Bid Law and shall require a formal bid

1 process. A project which the assistant secretary has declared in writing to be an
 2 emergency may employ a written and thoroughly documented informal bidding
 3 procedure in which bids are solicited from at least three bidders. All such contracts
 4 shall be reviewed prior to execution by the assistant secretary and all informally bid
 5 contracts shall be reviewed by the secretary. **Notwithstanding any other**
 6 **requirements in this Part, any monies deposited pursuant to R.S. 30:86(D)(9)**
 7 **or (10) may be expended by the secretary through a contract entered into under**
 8 **any competitive process authorized by Title 38 or 39 of the Louisiana Revised**
 9 **Statutes of 1950.**

10 Section 2. R.S. 30:85(B) is hereby repealed.

11 Section 3. This Act shall become effective upon signature by the governor or, if not
 12 signed by the governor, upon expiration of the time for bills to become law without signature
 13 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 14 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 15 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____