LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 810** HLS 24RS 1697
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 16, 2024 8:08 PM **Author:** GEYMANN
Dept./Agy.: Department of Energy and Natural Resources
Subject: Office restructure **Analyst:** Richie Anderson

NATURAL RESOURCES DEPT EG SEE FISC NOTE GF EX See Note
Provides for the organization, duties, and responsibilities of the Dept. of Energy and Natural Resources

Proposed law reconfigures the Department of Energy and Natural Resources (DENR) offices, functions, and responsibilities. Proposed law creates the Offices of Enforcement, Energy, and Land and Water within the department. Additionally, proposed law creates the Louisiana Natural Resources Trust Authority, and transfers the Louisiana Oil Spill Coordinator and its functions from the Department of Public Safety and Corrections to DENR. Under this legislation, the Office of Enforcement is to inspect the regulated community and enforce laws within DENR's jurisdiction. The Office of Energy will manage functions and programs related to the deployment and operation of alternative energy infrastructure in the state and the unified energy data and information program. Provides for the Office of Land and Water to be responsible for state lands and water bottoms including but not limited to: management and permitting, the issuance of energy-related rights of way, energy-related leasing, and administration of groundwater, surface water, and other water resources for quantity purposes, unless otherwise provided by the secretary. Proposed measure would take effect 07/01/24.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	**SEE BELOW**	**SEE BELOW**	**SEE BELOW**	**SEE BELOW**	**SEE BELOW**	
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	**SEE BELOW**	**SEE BELOW**	**SEE BELOW**	**SEE BELOW**	**SEE BELOW**	
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total						

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

EXPENDITURE EXPLANATION

Proposed law anticipates no immediate change on governmental expenditures from the creation of the new offices and restructuring outside agencies into the Department of Energy and Natural Resources (DENR). Through streamlining and consolidation of administrative tasks, there may be a decrease of expenditures in future fiscal years.

New Offices: Proposed law establishes three new offices in DENR: the Office of Energy, the Office of Land and Water, and the Office of Enforcement. DENR anticipates using existing staff and resources to create these offices, by allocating existing staff members to programs with identical scope in an effort to streamline functions. Through this process, DENR anticipates reducing costs of operations, capitalizing on cross agency succession planning, and using technology across multiple agencies. DENR's goal is to reduce required SGF administrative expenditures by 10% through these streamlining efforts.

Louisiana Oil Spill Coordinator Office (LOSCO): Proposed law would transfer LOSCO and its functions to DENR from the Department of Public Safety and Corrections (DPSC); additionally, the Oil Spill Contingency Fund (current balance of $7.5 M), the Natural Resource Damage Assessment Escrow account (current balance of $184,650), and the Natural Resource Restoration Trust Fund (current balance of $2.2 M) which make up LOSCO's entire budget would be transferred from DPSC to DENR. These dedications will continue to normally generate revenue deposited into these funds, and LOSCO in conjunction with DENR will use these funds for their intended purpose. DPSC would transfer 20 T.O. positions to DENR, 13 of these positions are currently filled and seven are vacant. DENR anticipates being able to integrate LOSCO into the department using the existing staff and resources of the two agencies, and anticipates needing no additional funding.

Louisiana Natural Resources Trust Authority: Proposed law would create the Louisiana Natural Resources Trust Authority which will be managed within the current budget framework of DENR using existing staff and resources to support operations of the authority without the need for any further fiscal resources.

Finally, proposed law requires the secretary of DENR to submit an annual recommendation to the legislature regarding the termination or continuation of boards within DENR. This requirement will also be fulfilled using existing staff and resources.

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}

Patrice Thomas
Deputy Fiscal Officer