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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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DIGEST

SB 244 Reengrossed

2025 Regular Session

Hensgens

Present law establishes the office of conservation, lead by the commissioner of conservation to oversee the state's natural resources, subsurface disposal wells, and all surface and storage waste facilities related to oil and gas operations. The commissioner has rulemaking authority and jurisdiction over all persons and property necessary to enforce the state's laws on oil and gas conservation, including land use, establishment of drilling units, collection of fees, and permitting of production and injection well operations and pipelines related to oil and gas production.

Present law authorizes the commissioner to implement an expedited permitting program and provides for notice and reporting. Proposed law maintains present law, and requires the secretary to promulgate rules for expedited processing, including, requests, timelines, notice, record keeping, and appeals.

Proposed law maintains present law and moves the authority and responsibilities of the office of conservation and its commissioner under the department and its secretary.

Proposed law repeals the Cross-Unit Well Study Commission, which sunset on August 1, 2015.

Proposed law organizes the Dept. of Conservation and Energy and provides for the secretary, deputy secretary, undersecretary, and directors. The department is organized into the executive office of the secretary that include the office of state resources, the office of legal services, the office of administration, the office of permitting and compliance, the office of mineral resources, the office of enforcement, and the office of energy.

Proposed law requires reporting of oil, gas, and condensate production on an individual well basis.

Proposed law creates the Natural Resources Financial Security Fund to support the department's regulatory programs for which financial security or assurance are required. Provides for collection, custody, expenditure, and use of payments, premiums, and fees collected from operators under programs administered by the Natural Resources Trust Authority.

Proposed law provides that monies in the fund may be used for restoration, reimbursement, and administrative costs. All instruments currently held by the Oilfield Site Restoration Fund are to be transferred to the fund. Further changes the expenditure limit from \$950,000 to the department's federal approved indirect cost rate or if that rate doesn't exist, 15 percent of direct costs.

Proposed law requires federal orphan oilfield site appropriations and grant monies go to the

department's federal funds account to be spent on assessment, restoration, and plugging of orphan wells. The secretary may expend such monies through contracts authorized under present law.

Proposed law authorizes the secretary to enter orphaned oilfield site restoration contribution agreements limiting a party's obligations and resolving regulatory compliance responsibilities.

Proposed law removes minimum expenditure requirements for plugging certain wells between 2016 and 2022.

Proposed law provides that entities authorized to issue bonds on behalf of the Louisiana Local Government Environmental Facilities and Community Development Authority may be "issuers" of debt related to Oilfield Site Restoration Law.

Proposed law provides that the department has exclusive authority to regulate water resource dependent activities and promulgate rules for management, use and protection of water resources and prevention of saltwater intrusion, including water well drilling, use, and abandonment.

Proposed law provides that the department has exclusive authority to create groundwater districts and require permits for drilling or construction of water wells. Requires the department to develop a comprehensive water resource plan.

Present law establishes the State Mineral and Energy Board and provides for its membership and powers. Proposed law authorizes the State Mineral and Energy Board to enter operating agreements for use of state resources under the department's jurisdiction. Changes membership from the secretary to the undersecretary and provides for proxies.

Proposed law requires the secretary and commissioner of administration to enter into an agreement on the management of payments from the Saltwater and Oil Assessment process.

Present law organizes the Dept. of Energy and Natural Resources its officers and offices. Provides that the department is directed by a secretary, appointed by the governor with consent of the Senate.

Proposed law creates the Natural Resources Commission within the Dept. of Conservation and Energy. Proposed law provides that the membership of the commission, who may not serve by proxy or designee.

Proposed law requires the department, under the direction of the deputy secretary, to staff the commission and authorizes engagement of the legislative auditor for legislative or commission-requested reports. Proposed law provides for the commission's meeting requirements.

Proposed law requires the commission to serve as the primary coordinating body for water management planning and statewide flood protection and develop a process for centralized, uniform planning; develop processes for interagency and intergovernmental coordination and response; develop a process to respond to and prioritize legislative study requests; engage the legislative auditor for support in executive branch investigations, reports, and reviews; develop a process for

identifying, clarifying, and addressing agency overlap, including with independent agencies and political subdivisions.

Proposed law provides for procedures for the secretary to streamline and modernize the organization and operation of the department, including notifying the governor, the House Committee on Natural Resources and the Senate Natural Resources Committee.

Present law establishes the Mineral and Energy Operations Fund.

Proposed law maintains present law and provides that monies may be transferred from the Natural Resources Financial Security Fund to the Mineral and Energy Operations Fund.

Present law vest responsibilities, powers, and duties in the commissioner of conservation relative to water and groundwater management, including determining an area of groundwater concern and membership on water related boards and commissions. Proposed law replaces the commissioner with the secretary of the Dept. of Conservation and Energy.

Proposed law provides for public records exceptions. Proposed law provides for the secretaries authority to review determinations of pipe lines as common carrier.

Present law requires the secretary to adopt rules providing for special areas within the coastal zone that would require special management procedures. Proposed law retains present law and changes the requirement to an authorization to adopt such rules.

Present law provides for authority of the department relative to oysters and oyster leases. Proposed law retains present law with the authority vesting in the Dept. of Conservation and Energy.

Proposed law repeals the Louisiana Environmental Education Act, the Interagency council, requirements and procedures for obtaining a discharge prevention and response certificate by a terminal facility, and the Water Resources Commission.

Effective August 1, 2025.

(Amends R.S. 30:1(A), (B), and (C), 3(3), (6), (7), (9), and (18), 4(A), (B), introductory paragraph of (C), (C)(1)(a)(v) and (b), 14, (16)(b), (17)(b), introductory paragraph of (D), (D)(1), (2), (3)(a) and (b), and (5), (E), (F), (G), (H), introductory paragraph of (I), (I)(1), (3), (4), (5), (9), and (11), (K), introductory paragraph of (L)(1), introductory paragraph of (M), (M)(3), introductory paragraph of (6) and (6)(b), introductory paragraph of (4), (4)(a), and (5), (O)(1) and (2), (P), (Q), introductory paragraph of (R), and (T), introductory paragraph of R.S. 30:4.1(B)(1) and (2), (C), (D), (E), (F)(1), (I), and (K), 4.2, 4.3, 5(A), (B), (C)(1)(a) and (b), introductory paragraph of (2), (2)(d), (4), and (6), and (D)(1) and (2)(intro para), 5.1(A)(1), (2), introductory paragraph of (3), (3)(e), (5), (6), (7), (8), and (9), (B)(1), (2), and introductory paragraph of (3), (5), (7), (9), (10), (12), and (13), 5.2(A), (B), introductory paragraph of (C), (E), (G), and (H), 6, 6.1(A), (B), (C), (D)(1), and (F), 8(A)(1), (2), (3), and (4), and (B), introductory paragraph of 9(A), (B), (C), and (D), 10(A)(1), (2)(a)(i) and (ii), (b)(ii)(ii), introductory paragraph of (vi), (vi)(bb), (c), (d), and (f), and (3), (B), and (C)(7),

10.1(B)(1), (3), (4), and (5), 11.1, 12(A), (B)(1), (2), (3), (4), introductory paragraph of (5), and (5)(f), and (C), 13, 14, 15, 18(A)(1), (2), (3), (4), (5), (6)(a)(i) and (ii), (b), (c)(i)(ff), (ii), (iii), (d), and (e), and (B), 20(A) and (D), 21(A) and (B)(1) (a), (b), (c), (d)(intro para), and (e) and (2)(a) and (b), 22(B)(intro para), (C), (D), and (E), introductory paragraph of 23(B), (C), and (D), 23.1(A), 25(A)(2), (3), (5), (6), and (7), (D), (E), and (F), 26(A), 27(A), (D), and (F), 28(A), (C), introductory paragraph of (D), (D)(2), (3), (5), (6), and (7), (F), (G), (H), (I)(1)(a)(intro para), (d), and (g), and (J), 29(A) and (B)(1), 41, 42, 44, 45, 48, introductory paragraph of 61, 73(1), 74(A) and (B), 79(A), (B), and (C), 82(1), (6), (7), (11), and (14), 83(A)(5) and (7), 83.1(B)(3), 85(A)(3) and (C), 86(A)(2), (D)(8), (9), and (10), (E)(2), (6) and (7), (F), (G), and (H), 88(B), (C), (D), (E), (F), (I), and introductory paragraph of (J), 88.1(A)(3) and (4), (C), (D), (E), (G), and (H), 88.2(C), (E)(intro para), (E)(1), and (F), 89(A), (B), introductory paragraph of (C), (C)(2) and (3), and (D), 90(C), introductory paragraph of (D), (D)(1) and (4), and (E)(4), introductory paragraph of R.S. 30:91(A), 91(A)(1), (B)(1), (2)(a) and (c), (3), and (4), and (D), 92(A) and (C), introductory paragraph of R.S. 30:93(A), 94(A), introductory paragraph of (B)(1), (2)(b), and (3), and (C), 95(B), (C), and (D), 101.2(A), 101.3(2), 101.4, 101.5(A)(2), introductory paragraph of 101.6(A) and 101.6(B), 101.7(A), 101.8, 101.9(D)(1)(intro para) and (2), 101.10(A) and introductory paragraph of (B), 101.13(A), (B)(2), and (C)(4), 101.14(A) and (B), introductory paragraph of R.S. 30:103.1(A), 121(A), (C), and (D), 125, 127.1(C)(10) and (11), and (D), 129(B)(1)(a), 135, 136.3(B)(1), (C) and (D), 143(D)(2) and (3), 148.8, 148.9(A)(1) and (2), 153, 172, 209(4)(e), 209.1(A) and (B)(1), 413(A) and (B), 414(A), 502(D), 503(1), (2), (4), (6), and (8), 504, the introductory paragraph of 521(A) and 521(C), 524, 525, introductory paragraph of R.S. 30:541 and 541(2), 544(A) and (B), introductory paragraph of 546(A), (A)(5), (B), and (C), introductory paragraph of R.S. 30:548, 551, 557(A), (B), (C), (D), (E)(intro para) and (E)(1), (F), and (G), 558(A), (B), (D), (F), (G), and (H), 559(A) and (C), 560(B), (C), and (D), 561(A), (B), and (C), 571, introductory paragraph of 572(1), (1)(f), (h), and (i), 603(A), (B), (C), (D), (E), and (G), 604, 681.1(5), (8), and (9), 681.2(2) and (3), 702(1), (2)(b), and (5), 703, 704(B), (C), (D), and (E), 705(A) and (B), 706, 707, 722, 723(A), (F), and (H), 731(1), 732, 802, 904(2), (4), (7), (9), (12), (20), 905(A), introductory paragraph of (B), (B)(2), (8), and (9), and (C), 905.1(A) and (B)(2), introductory paragraph of R.S. 30:905.3(A)(1), (B), (C), (E)(1), and (F), 906.1, 907(A) and introductory paragraph of (B), (B)(9), (11), (12), (13)(b), (15), (17), and (18), (C)(1), (D), (F), and (G), 908(A)(12) and (B), 915(B)(7), (9), (10)(f), (12), introductory paragraph of (15), (15)(e), (20), (22)(e), introductory paragraph of (25)(C)(2), (2)(d), introductory paragraph of (3), and (4), (D)(3) and (4), (E)(1), (4), and (5), 917(A)(1), introductory paragraph of (2), (2)(d), (3), (B), (D), (E), (F), and (G), 921, 1102(B), 1103(10), (14), and (15), introductory paragraph of R.S. 30:1104(A), 1104(A)(3), (9), (10), (B), introductory paragraph of (C), (D), (E), and (F), 1108(A)(1), (B), and (D), introductory paragraph of R.S. 30:1109(A)(1), 1109(C), (D), (E), (F), and (G), 1110(A), (B)(1), introductory paragraph of (C), introductory paragraph of (C)(1), (1)(b), (f), (g), and (h), (2), and (3), introductory paragraph of (G), (H), and (I), 2200, 2455, introductory paragraph of R.S. 30:2456(A), R.S. 31:115(C)(1)(b), R.S. 36:351, 352, 353, 354(A)(7), (10), (13), and (15), (B)(1)(b), (2), (4), (6), (8), (10), and (12), 355, 356, 357, 358, the introductory paragraphs of R.S. 36:359(A) and (B), (B)(1) and (2), and (C), the introductory paragraph of R.S. 38:3076(A), 3076(A)(24) and (C), 3087.136(4), 3087.138, 3092(2) and (4), 3093, 3094(A)(1)-(4), the introductory paragraph of R.S. 38:3094(B), 3094(B)(7), the introductory paragraph of R.S. 38:3094(C), and 3094(C)(1), 3097.1(C), 3097.2(1), (4), (7), and (9), 3097.3(A) and (B), the introductory paragraphs of R.S. 38:3097.3(C) and (C)(4)(a), 3097.3(C)(4)(a)(v) and (b), and (8), (D), (E), (F)(1), the introductory paragraphs of R.S. 38:3097.3(F)(2), (d), and (f), and 3097.3(G), 3097.6(A), the introductory paragraphs of R.S.

38:3097.6(B) and (B)(3), 3097.8(A) and (C), the introductory paragraph of R.S. 38:3098(A), 3098(B) and (E), and 3098.1(4), R.S. 44:4.1(B)(19), R.S. 45:252, R.S. 49:214.29(B), R.S. 56:432.1(C)(2), 700.13(B), and 700.14(B); adds R.S. 303(21)and (22), 4(C)(21), (D)(6), 21.1, 86(I) and (J), 93(C), 98.1,-98.11, 124.1, 136.3(B)(6), 209(6), 2454(33), R.S. 36:351.1, 354(B)(13) and (14), 354.1, 356.1(B)(6) and (7) and (D), R.S. 38:3098(G), R.S. 39:1367(E)(2)(b)(xi), and R.S. 45:251(4); repeals R.S. 17:200 through 220, R.S. 30:4(N), 85(D)(11), 86(F), 2458 and 2470 through 2474, and R.S. 38:3097.4, 3097.7, and 3098.6(A)(1))

### Summary of Amendments Adopted by Senate

#### Senate Floor Amendments to engrossed bill

1. Makes technical amendments.
2. Provides the department exclusive rulemaking and implementation authority for water resource management, conservation, and protection, including permitting, water recharge areas, water quality, resource development, and sustainability.
3. Removes limitations on the department's regulatory and pumping charge assessment authority over any well less than 400 feet depth, in the Mississippi River alluvial aquifer, or for agricultural or domestic use and with no more than 50,000 gallons per day capacity.
4. Provides the department exclusive authority to audit flow measurement devices installed by the user.
5. Provides the department exclusive authority for investigations, compliance, enforcement, issuance of notices, and collaboration with federal, state, and local agencies for coordinated enforcement.
6. Removes transfer of Capital Area and Sparta Groundwater Conservation Districts to the department.