SLS 19RS-339

ORIGINAL

2019 Regular Session

SENATE BILL NO. 180

BY SENATOR ALLAIN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MINERALS. Provides relative to the recovery of certain monies expended from the Oilfield Site Restoration Fund. (8/1/19)

1	AN ACT
2	To amend and reenact R.S. $30:86(E)(5)$ and the introductory paragraph of $93(A)$, to enact
3	R.S. 30:93(A)(4), and to repeal R.S. 30:86(C), relative to the Oilfield Site
4	Restoration Fund; to provide for the purposes and uses of the fund; to provide for
5	recovery of site restoration costs; to require reimbursement for monies expended on
6	response costs for an emergency; to repeal the balance requirements for collection
7	of the oilfield site restoration fees; to provide terms, conditions, and procedures; and
8	to provide for related matters.
9	Be it enacted by the Legislature of Louisiana:
10	Section 1. R.S. 30:86(E)(5) and the introductory paragraph of 93(A) are hereby
11	amended and reenacted and R.S. 30:93(A)(4) is hereby enacted to read as follows:
12	§86. Oilfield Site Restoration Fund
13	* * *
14	E. The monies in the fund may be disbursed and expended pursuant to the
15	authority and direction of the secretary or assistant secretary for the following
16	purposes and uses:
17	* * *

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1	(5) Any costs associated with response to any emergency as provided in R.S.
2	30:6.1. The department shall seek to recover from the responsible party any
3	monies disbursed and expended from the fund for any emergency as provided
4	in R.S. 30:6.1 within six months from disbursement. Any monies disbursed and
5	expended from the fund for any emergency as provided in R.S. 30:6.1 shall be
6	reimbursed to the fund by the department within one year from disbursement.
7	* * *
8	§93. Recovery of site restoration costs
9	A. If the assistant secretary undertakes restoration of an orphaned oilfield site
10	under this Part or responds to any emergency as provided in R.S. 30:6.1, the
11	secretary shall seek to recover all costs incurred by the secretary, assistant secretary,
12	penalties, and other relief from any party who has operated or held a working interest
13	in such site, or who is required by law, rules adopted by the department, or a valid
14	order of the assistant secretary to control, clean up, close, or restore the oilfield sites
15	or other facilities, structures, or pipelines under the commissioner's jurisdiction
16	pursuant to R.S. 30:1 et seq. in accordance with the following:
17	* * *
18	(4) For a response to any emergency as provided in R.S. 30:6.1, recovery
19	of costs shall be against the responsible party.
20	* * *
21	Section 2. R.S. 30:86(C) is hereby repealed.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by J. W. Wiley.

DIGEST SB 180 Original 2019 Regular Session

Allain

<u>Present law</u> allows the monies in the Oilfield Site Restoration Fund (fund) to be disbursed and expended pursuant to the authority and direction of the secretary or assistant secretary of the Department of Natural Resources (DNR) for certain purposes and uses, including costs associated with response to an emergency.

<u>Proposed law</u> retains <u>present law</u> and requires the DNR to seek recovery from the responsible party any monies disbursed and expended from the fund for an emergency within six months from disbursement. Further requires the DNR to reimburse the fund any monies disbursed and expended from the fund for an emergency within one year from

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disbursement.

<u>Present law</u> allows the secretary of the DNR to recover certain costs incurred by the secretary for the control, clean up, closure, or restoration of oilfield sites. Further provides a procedure for the recovery of costs.

<u>Proposed law</u> retains <u>present law</u> and includes costs for responding to an emergency at an oilfield site or other facility, structure, or pipeline under the jurisdiction of the commissioner of conservation to the costs the secretary may recover from the responsible party.

<u>Present law</u> provides certain balance requirements in the fund. When the balance in the fund equals or exceeds \$14 million dollars, the oilfield site restoration fees on oil and gas will not be collected or required to be paid by the responsible party. When the balance in the fund has fallen below \$10 million dollars, the fees will be collected or required to be paid by the responsible party.

<u>Proposed law</u> repeals the balance requirements in the fund.

Effective August 1, 2019.

(Amends R.S. 30:86(E)(5) and 93(A)(intro para); adds R.S. 30:93(A)(4); repeals R.S. 30:86(C))