DIGEST

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HB 810 Reengrossed

2024 Regular Session

Geymann

Abstract: Provides for the organization, offices, functions, and responsibilities of the Department of Energy and Natural Resources and its officers; creates the offices of enforcement, energy, and land and water; creates the Louisiana Natural Resources Trust Authority; transfers the Louisiana oil spill coordinator to the department; and provides for the management of state lands and water bottoms.

<u>Present law</u> establishes the Dept. of Energy and Natural Resources (DENR) and provides for its organization, offices, powers, duties, and functions.

Proposed law creates and provides for the functions of the following new offices within DENR:

- (1) The office of enforcement.
- (2) The office of energy.
- (3) The office of land and water.

<u>Proposed law</u> tasks the office of enforcement with inspecting the regulated community and enforce laws and regulations within the DENR's jurisdiction.

<u>Proposed law</u> requires the office of energy to manage functions and programs related to the deployment and operation of alternative energy infrastructure in this state and the unified energy data and information program.

<u>Proposed law</u> specifies that the office of land and water is responsible for the following:

- (1) Management and permitting of state lands and water bottoms.
- (2) The issuance of energy-related rights of way on state lands and water bottoms.
- (3) Energy-related leasing of state lands and water bottoms.
- (4) Administration of groundwater, surface water, and other water resources for quantity purposes, unless otherwise provided by the secretary.

<u>Proposed law</u> transfers the La. Oil Spill Coordinator and its functions <u>from</u> the Dept. of Public Safety and Corrections to the DENR.

Present law provides for the functions, powers, and duties of the secretary of the DENR.

<u>Proposed law</u> adds duties, responsibilities, and functions of the secretary related to the deployment

and operation of energy infrastructure in the state and an energy and natural resources data and information program.

<u>Present law</u> requires that if the secretary determines that the department could operate more efficiently, he must present plans for improvement to the legislature.

<u>Proposed law</u> retains <u>present law</u> and adds that beginning Jan. 15, 2026, and every year thereafter that the department is scheduled to sunset, the secretary must submit recommendations to either terminate or continue each board and commission within the department to the House and Senate committees on natural resources. Specifies that recommendations to terminate a board or commission must include plans for how to handle that board or commission's functions and responsibilities going forward.

<u>Present law</u> authorizes the secretary to appoint advisory councils, boards, and commissions for the administration of the department.

<u>Proposed law</u> further authorizes the secretary to appoint advisory councils, boards, and commissions for providing expertise within the department's jurisdiction.

<u>Present law</u> authorizes the secretary to designate the assistant secretary of the office of conservation to represent the state in matters relative to energy and natural resources and within the jurisdiction of the DENR.

<u>Proposed law</u> authorizes the secretary to designate any assistant secretary of the DENR to represent the state in matters relative to energy and natural resources and within the jurisdiction of the DENR.

<u>Proposed law</u> creates the La. Natural Resources Trust Authority within the DENR and provides for its functions, including the development of strategic plans to address financial challenges facing energy and natural resources-related projects in the state, and the authority to establish an executive committee with delegated responsibilities other than rate determinations.

<u>Proposed law</u> further provides that the authority has the power to do the following:

- (1) Set financial obligations of operators or applicants, consistent with the purposes, authorities, and functions of the DENR and its officers.
- (2) Indemnify members, officers, and employees against liabilities.
- (3) Execute necessary contracts and instruments.
- (4) Enter agreements for deductions, payments, and the administration of grants.
- (5) Solicit, accept, and expend grants.

<u>Proposed law</u> further provides that the authority has the power to promulgate rules regarding the following:

- (1) Residency requirements, participant limits, and account accrual limits.
- (2) Substitutions, transfers, or other financial instruments necessary to meet plugging or

- abandonment obligations.
- (3) Interest rates with state treasurer approval.
- (4) Abandoned accounts as provided by law.
- (5) Investment guidelines.
- (6) Procedures and standards for worthiness of applications.
- (7) Fees and other provisions necessary to implement the authority's functions.

<u>Present law</u> establishes the functions and responsibilities of the undersecretary of the DENR, including the responsibility for the office of management and finance, accounting, and budgetary control.

<u>Proposed law</u> adds that the undersecretary is responsible for the La. Natural Resources Trust Authority and its functions.

Present law establishes the office of conservation and provides for its purposes and functions.

<u>Proposed law</u> adds permitting and compliance to the functions exercised by the office of conservation.

<u>Present law</u> provides for cooperation between the office of conservation and La. State University and Agricultural and Mechanical College regarding geological surveys, mapping, assessments, and inventories of the state.

<u>Proposed law</u> provides for cooperation with the Center for Energy Studies rather than La. State University and Agricultural and Mechanical College.

<u>Present law</u> limits the authority of the secretary, deputy secretary, and undersecretary of the department to exercise, review, administer, or implement the quasi judicial, licensing, permitting, regulatory, rulemaking, and enforcement powers of the assistant secretary of the office of conservation.

Proposed law removes this limitation.

Effective July 1, 2024.

(Amends R.S. 36:351(B) and (C), 354(A)(15) and (B)(2) and (6), 356(B), 357(B) and (C), 358(C) and (D)(2), 359(B)(1) and (2), 401(C)(1)(b)(i), and 405(A)(1)(b); Adds R.S. 36:354(A)(19), 356.1, 358(E) through (G), and 359(B)(4); Repeals R.S. 36:408(I) and 409(C)(8))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Natural Resources and</u> Environment to the original bill:

1. Change the effective date of the Act <u>from</u> upon the governor's signature <u>to</u> July 1, 2024.

The House Floor Amendments to the engrossed bill:

1. Make technical changes.