

2026 Regular Session

HOUSE BILL NO. 1152

BY REPRESENTATIVES RISER AND BRASS

ENERGY: Provides relative to the Carbon Dioxide Geologic Storage Trust Fund

1 AN ACT

2 To amend and reenact R.S. 30:1110(A)(2), (B)(1), (C)(introductory paragraph) and (1)(d)
3 and (f) through (h), (D), and (H) and to enact R.S. 30:1103(10) and 1110(J) and (K),
4 relative to carbon dioxide storage facility fees; to provide definitions; to provide for
5 the authority of the Natural Resources Trust Authority; to establish a Carbon Dioxide
6 Community Safety and Protection program; to establish a Carbon Dioxide
7 Community Protection Account; to establish a Local Public Safety and Emergency
8 Preparedness Subaccount; to authorize the collection of fees from carbon dioxide
9 storage facilities; to provide for authorized uses of monies within the account and
10 subaccount; to provide for eligible recipients of monies in the account and
11 subaccount; to provide for the promulgation of rules; to prove relative to the Carbon
12 Dioxide Geologic Storage Trust Fund; to require record keeping and reporting; and
13 to provide for related matters.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 30:1110(A)(2), (B)(1), (C)(introductory paragraph) and (1)(d) and
16 (f) through (h), (D), and (H) are hereby amended and reenacted and R.S. 30:1103(10) and
17 1110(J) and (K) are hereby enacted to read as follows:

18 §1103. Definitions

19 Unless the context otherwise requires, the words defined in this Section have
20 the following meaning when found in this Chapter:

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(10) "Fee" means a regulatory charge, assessment, or cost authorized by this Chapter, including but not limited to the fees levied pursuant to R.S. 30:1110(C).

For purposes of R.S. 30:1110(C)(1), the term "fee" includes:

(a) "Trust fund fee", meaning the portion of the fee required to be deposited into the Carbon Dioxide Geologic Storage Trust Fund.

(b) "Excess fee", meaning the portion of the fee collected pursuant to R.S. 30:1110(C)(1) that is collected after the trust fund fee has been suspended for a storage facility or storage operator pursuant to R.S. 30:1110(C)(1)(f) or (g), or otherwise exceeds the amount required to be credited to the Carbon Dioxide Geologic Storage Trust Fund pursuant to R.S. 30:1110(C)(1)(h), and that is required to be deposited into the account established in R.S. 30:1110(J).

* * *

§1110. Carbon Dioxide Geologic Storage Trust Fund

A.

* * *

(2) After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, and after a sufficient amount is allocated from that fund to pay all of the obligations secured by the full faith and credit of the state which become due and payable within any fiscal year, the treasurer shall pay into the fund; an amount equal to the monies received by the state treasury pursuant to this Chapter, except any excess fees as defined in R.S. 30:1103 shall be deposited into the account established in Subsection J of this Section. The monies in this fund shall be used solely as provided in this Section and only in the amount appropriated by the legislature. All unexpended and unencumbered monies remaining in this fund at the end of the fiscal year shall remain in the fund. The monies in the fund shall be invested by the state treasurer in the same manner as monies in the state general fund and all returns of such investment shall be deposited to the fund. At the request of the Natural Resources

1 Trust Authority, the state treasurer may invest monies in the fund, or any portion
 2 thereof, in accordance with the provisions of R.S. 33:2955, including the use of the
 3 Louisiana Asset Management Pool, and any interest earned on such investments shall
 4 be credited to the fund. The funds received shall be placed in the special trust fund
 5 in the custody of the state treasurer to be used only in accordance with this Chapter
 6 and shall not be placed in the general fund. The funds provided to the secretary
 7 pursuant to this Section shall at all times be and remain the property of the secretary.
 8 The funds shall be used only for the purposes set forth in this Chapter and for no
 9 other governmental purposes, nor shall any branch of government be allowed to
 10 borrow any portion of the funds. It is the intent of the legislature that this fund and
 11 its increments shall remain intact and inviolate.

12 B. The following monies shall be placed into the fund:

13 (1) The fees, penalties, and bond forfeitures collected pursuant to this
 14 Chapter, except excess fees deposited pursuant to Subsection J of this Section. All
 15 fees and self-generated revenue remaining on deposit for the department at the end
 16 of any fiscal year shall be deposited into the fund.

17 * * *

18 C. The secretary is hereby authorized to levy on each storage facility the
 19 following fees or costs for the purpose of funding the fund and the account
 20 established in Subsection J of this Section:

21 (1) A fee payable to the department, in a form and schedule prescribed by
 22 the department, for each ton of carbon dioxide injected for storage into that storage
 23 facility. This fee is to be determined based upon the following formula:

24 * * *

25 (d) "M" is the maximum payment of five million dollars and is the total
 26 amount of fees ~~to be collected before the payment of the fee can be suspended as~~
 27 provided in this Section: trust fund fees required to be deposited into the fund for a
 28 storage facility before the trust fund fee may be suspended as provided in this
 29 Section. Any fee amounts collected pursuant to this Paragraph during any period in

1 which the trust fund fee is suspended shall be deposited as an excess fee into the
2 account established in Subsection J of this Section.

3 * * *

4 (f) Once five million dollars has been contributed to the fund for a storage
5 facility, ~~the fee assessments to that storage facility under this Section shall cease~~
6 ~~until such time as funds begin to be expended for that storage facility. The secretary~~
7 ~~of the Department of Conservation and Energy shall certify to the secretary the date~~
8 ~~on which the balance in the fund for a storage facility equals or exceeds five million~~
9 ~~dollars. The fund fees shall not be collected or required to be paid on or after the~~
10 ~~first day of the second month following the certification, except that the secretary~~
11 ~~shall resume collecting the fees on receipt of a certification from the secretary of the~~
12 ~~Department of Conservation and Energy~~ the trust fund fee attributable to that storage
13 facility under this Section shall be suspended for deposit into the fund until such time
14 as funds begin to be expended for that storage facility. The undersecretary of the
15 department shall certify to the secretary the date on which the balance in the fund for
16 a storage facility equals or exceeds five million dollars. Beginning on the first day
17 of the second month following the certification, the trust fund fee shall not be
18 deposited into the fund; however, the fee shall continue to be required and collected
19 and any fee amounts collected pursuant to this Paragraph during any period in which
20 the trust fund fee is suspended shall be deposited as an excess fee into the account
21 established in Subsection J of this Section. The secretary shall resume depositing the
22 trust fund fee into the fund upon receipt of a certification from the undersecretary
23 that, based on the expenditures or commitments to expend monies, the fund has
24 fallen below four million dollars for that storage facility.

25 (g) Notwithstanding the total number of storage facilities owned or operated
26 by a storage operator, once ten million dollars has been contributed to the fund by
27 a storage operator, the fee assessment to that storage operator under this Section shall
28 cease until such time as funds begin to be expended for any storage facility owned
29 or operated by that storage operator. ~~The secretary of the Department of~~

1 ~~Conservation and Energy shall certify to the secretary the date on which the balance~~
2 ~~in the fund for a storage operator equals or exceeds ten million dollars. The fund~~
3 ~~fees shall not be collected or required to be paid on or after the first day of the second~~
4 ~~month following the certification, except that the secretary shall resume collecting~~
5 ~~the fees upon receipt of a certification from the secretary of the Department of~~
6 ~~Conservation and Energy that, based on the expenditures or commitments to expend~~
7 ~~monies, the fund has fallen below eight million dollars for that storage operator. The~~
8 ~~undersecretary of the department shall certify to the secretary the date on which the~~
9 ~~balance in the fund for a storage operator equals or exceeds ten million dollars.~~
10 ~~Beginning on the first day of the second month following the certification, the trust~~
11 ~~fund fee shall not be deposited into the fund; however, the fee shall continue to be~~
12 ~~collected and required to be paid, and any fee amounts collected pursuant to this~~
13 ~~Paragraph during any period in which the trust fund fee is suspended shall be~~
14 ~~deposited as an excess fee into the account established in Subsection J of this~~
15 ~~Section. The secretary shall resume depositing the trust fund fee into the fund upon~~
16 ~~receipt of a certification from the undersecretary of the department that, based on the~~
17 ~~expenditures or commitments to expend monies, the fund has fallen below eight~~
18 ~~million dollars for that storage operator.~~

19 (h) At the end of each fiscal year, the fee may be redetermined by the
20 secretary based upon the estimated cost of administering and enforcing this Chapter
21 for the upcoming year divided by the tonnage of carbon dioxide expected to be
22 injected during the upcoming year. The total fee assessed shall be sufficient to
23 assure a balance in the fund not to exceed five million dollars for any active storage
24 facility within the state at the beginning of each fiscal year. Any amount received
25 that exceeds the annual balance required shall be deposited in the fund, but
26 appropriate credits shall be given against future fees or fees associated with other
27 storage facilities operated by the same storage operator. Any amount received under
28 this Paragraph that exceeds the amount required to be credited to the fund shall be

1 deposited as an excess fee into the account established in Subsection J of this
2 Section.

3 * * *

4 D. The provisions of the Louisiana Tax Code shall apply to the
5 administration, collection, and enforcement of the fees imposed herein, and the
6 penalties provided by that code shall apply to any person who fails to pay or report
7 the fees. Proceeds from the fees, including any penalties and interest collected in
8 connection with the fees, shall be deposited into the fund, or, when applicable, into
9 the account established in Subsection J of this Section.

10 * * *

11 H. The secretary shall keep accurate accounts of all receipts and
12 disbursements related to the administration of the fund and site-specific trust funds
13 and shall make a specific annual report addressing the administration of the funds to
14 the Senate Committee on Natural Resources, the House Committee on Natural
15 Resources and Environment, and the Senate Committee on Environmental Quality
16 before March first. The report shall also include, at a minimum, a summary of
17 deposits into and disbursements from the account established in Subsection J of this
18 Section, including recipients, amounts, and general categories of expenditures.

19 * * *

20 J. There is hereby established within the Department of Conservation and
21 Energy a Carbon Dioxide Community Safety and Protection program, to be
22 administered by the Natural Resources Trust Authority. The trust authority is
23 authorized to allocate funds for the program in accordance with the specific
24 eligibility criteria and limitations outlined in this Section.

25 (1) There is hereby established in the state treasury, in the custody of the
26 state treasurer, a special account to be known as the Carbon Dioxide Community
27 Protection Account, hereinafter referred to as the "account". The account shall
28 constitute a special custodial trust account and shall be administered by the Natural
29 Resources Trust Authority, in coordination with the secretary. Monies in the account

1 shall be used solely as provided in this Subsection and only in the amount
2 appropriated by the legislature. Unexpended and unencumbered monies remaining
3 in the account at the end of the fiscal year shall remain in the account. The monies
4 in the account shall not be placed in the state general fund.

5 (2) The account shall consist of:

6 (a) Excess fees deposited pursuant to Paragraph (A)(2) and Subparagraphs
7 (C)(1)(f), (g), and (h) of this Section.

8 (b) Interest or investment earnings credited to the account.

9 (c) Grants, donations, and private contributions designated for the purposes
10 of this Subsection.

11 (3) There is hereby created within the account a subaccount to be known as
12 the Local Public Safety and Emergency Preparedness Subaccount. Not less than
13 thirty percent of all excess fees deposited into the account each fiscal year shall be
14 credited to the subaccount.

15 (4) Monies in the account and subaccount shall be used solely for public
16 safety and emergency preparedness activities directly related to carbon dioxide
17 geologic storage and the associated risks regulated under this Chapter, including but
18 not limited to:

19 (a) Emergency response planning, training, and exercises for fire, law
20 enforcement, emergency medical services, emergency management, emergency
21 response communications, and 911 personnel.

22 (b) Equipment, facilities, and interoperable communications used for
23 incident response, evacuation coordination, plume or air monitoring, public
24 notification, alerts, and incident command.

25 (c) Mutual aid coordination, emergency operations planning, and public
26 information and education specific to carbon dioxide geologic storage operations.

27 (d) Reimbursement to local governmental entities for reasonable and
28 necessary public safety costs incurred in responding to, preparing for, or recovering
29 from an incident or emergency associated with a carbon dioxide storage facility or

1 Class VI injection well regulated under this Chapter, including response to alarms,
2 releases, well integrity events, or other reportable occurrences requiring local public
3 safety action.

4 (5) Eligible recipients include parishes, municipalities, and other political
5 subdivisions, including fire protection districts, law enforcement agencies,
6 emergency medical service districts, emergency communications districts, and
7 offices of homeland security and emergency preparedness, located within either of
8 the following:

9 (a) A parish in which a storage facility or Class VI injection well regulated
10 under this Chapter is located.

11 (b) A parish that is within the area of review, has a nexus to, or is reasonably
12 determined by the secretary to be potentially impacted by the permitted activity.

13 (6) The authority shall establish by rule an application and review process
14 for eligible entities to submit requests, including minimum documentation
15 requirements, evaluation criteria, reporting requirements, and prioritization factors.
16 Prioritization may include proximity to permitted projects, population potentially
17 impacted, existing response capacity, and the nature and scale of permitted
18 operations.

19 (7) Any grant or reimbursement shall be conditioned on appropriate
20 documentation, record retention, and audit rights. Unused or improperly expended
21 amounts shall be subject to repayment to the account or subaccount, as applicable.

22 (8) The Natural Resources Trust Authority may use monies in the account
23 for administration of the program established by this Subsection; however, such
24 administrative costs shall not exceed five percent of the excess fees deposited into
25 the account in a fiscal year.

26 K. The protection of underground sources of drinking water, as mandated by
27 the Safe Drinking Water Act of 1974, is an essential component of the department's
28 responsibility for geologic storage. Stewardship in fulfilling these obligations
29 includes the following:

1 (1) No monies held in site-specific trust accounts pursuant to Subsection
2 (B)(6) of this Section shall be deposited into or disbursed from the account
3 established in Subsection J of this Section.

4 (2) No monies in the fund shall be transferred to the account established in
5 Subsection J of this Section.

6 (3) The secretary shall ensure that the collection and allocation of excess fees
7 does not impair the ability of the department to carry out the purposes of Paragraphs
8 (E)(1) through (7) of this Section, including long-term monitoring, remediation,
9 mechanical leak repair, and plugging and abandonment.

10 Section 3. The Louisiana State Law Institute is hereby authorized and directed to
11 alphabetize and renumber the definitions contained in R.S. 30:1103 and to correct any
12 cross-references to the renumbered paragraphs if necessary, consistent with the provisions
13 of this Act.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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)]

HB 1152 Original

2026 Regular Session

Riser

Abstract: Extends the fees paid by carbon dioxide sequestration storage facilities, creates a Carbon Dioxide Community Safety and Protection program, requires excess fees to be deposited into a new Carbon Dioxide Community Protection Account or Local Public Safety and Emergency Preparedness Subaccount, and provides for authorized uses of the account and subaccount.

Present law establishes a Carbon Dioxide Geologic Storage Trust Fund that storage facilities pay into based on a statutory formula for fees. Present law provides authorized uses for the fund by the department.

Proposed law retains present law.

Proposed law defines "fee" and specifies the term includes "trust fund fee" and "excess fee".

Present law provides that when the trust fund reaches \$5 million, the fee that storage facilities pay is suspended.

Proposed law requires that storage facilities continue to pay a fee after the \$5 million cap is met. Further provides that the fees paid after the cap is met are to be considered "excess fees".

Proposed law establishes a Carbon Dioxide Community Safety and Protection program to be administered by the Natural Resources Trust Authority. Further authorizes the trust authority to allocate funds for the program.

Proposed law creates a special treasury account called the Carbon Dioxide Community Protection Account and requires that all excess fees be deposited into the special account rather than the trust fund. Proposed law further provides that all interest and investment earnings and any grants, donations, and private contributions be deposited into the special account.

Proposed law also creates a subaccount within the Carbon Dioxide Community Protection Account, to be known as the Local Public Safety and Emergency Preparedness Subaccount. Proposed law further provides that at least 30% of all excess fees be deposited into this subaccount.

Proposed law authorizes the monies in the special account and subaccount to be used for public safety and emergency preparedness activities related to carbon dioxide sequestration and its associated risks, including the following:

- (1) Emergency response planning, training, and exercises for fire, law enforcement, emergency medical services, emergency management, emergency response communications, and 911 personnel.
- (2) Equipment, facilities, and interoperable communications used for incident response, evacuation coordination, plume or air monitoring, public notification, alerts, and incident command.
- (3) Mutual aid coordination, emergency operations planning, and public information and education specific to carbon dioxide geologic storage operations.
- (4) Reimbursement to local governmental entities for reasonable and necessary public safety costs incurred in responding to, preparing for, or recovering from an incident or emergency associated with a carbon dioxide storage facility or Class VI injection well regulated under present law, including response to alarms, releases, well integrity events, or other reportable occurrences requiring local public safety action.
- (5) Program administration (no more than 5% of excess fees may be used for this).

Proposed law provides that parishes, municipalities, and other political subdivisions within a parish where a storage facility or Class VI well is located or a parish within the area of review for a storage facility or which may be impacted by the permitted activity will be eligible recipients of monies from the special account and subaccount.

Proposed law requires the Natural Resources Trust Authority to promulgate rules to establish an application and review process.

Proposed law provides that no "trust fund fees" collected prior to meeting the \$5 million cap may be deposited into the special account or subaccount and no monies deposited into the trust fund may be transferred to the special account or subaccount.

Proposed law provides that the collection and use of excess fees may not impair the department's primary obligation to protect underground sources of drinking water as required by federal law.

Present law requires the secretary to keep accurate accounts of all money collected for and disbursed from the trust fund and to submit a report annually to the House and Senate natural resources committees regarding administration of the funds.

Proposed law retains present law and requires the annual report to include information regarding collections for and disbursements from the special account for excess fees.

(Amends R.S. 30:1110(A)(2), (B)(1), (C)(intro. para.) and (1)(d) and (f)-(h), (D), and (H); Adds R.S. 30:1103(10) and 1110(J) and (K))