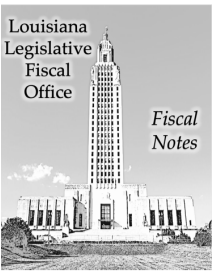


**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 1152** HLS 26RS 1519

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 8, 2026	9:57 AM	<b>Author:</b> RISER
<b>Dept./Agy.:</b> Conservation & Energy		<b>Analyst:</b> Mimi Blanchard
<b>Subject:</b> Carbon Dioxide Geologic Storage Trust Fund		

ENERGY OR INCREASE SD RV See Note Page 1 of 1  
Provides relative to the Carbon Dioxide Geologic Storage Trust Fund

Current law establishes the Carbon Dioxide Geologic Storage Trust Fund, collects fees from storage facilities for regulatory purposes, and suspends fee collection once \$5 M is reached for a facility (until the balance falls below \$4 M) or once \$10 M is reached for a storage operator across all facilities (until the balance falls below \$8 M).

Proposed law retains present law but redefines "fee" to include both trust fund fees and excess fees and requires continued collection of fees from carbon dioxide (CO<sub>2</sub>) storage facilities after the \$5 M trust fund cap is met. Excess fees collected after the cap is reached are deposited into a newly created Carbon Dioxide Community Protection Account (CDCP), administered by the Natural Resources Trust Authority within the Department of Conservation and Energy (C&E), with at least 30% allocated to a Local Public Safety and Emergency Preparedness Subaccount (LPSEP). Monies in the CDCP account and LPSEP subaccount may be used for public safety and emergency preparedness activities related to CO<sub>2</sub> storage, including emergency response, equipment, planning, and reimbursements to local governmental entities. Proposed law establishes eligible recipients, limits administrative costs to 5% of excess fees, and requires annual reporting.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	
Ded./Other	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>

**Annual Total**

**EXPENDITURE EXPLANATION**

Proposed law will result in an indeterminable increase in expenditures from the newly created special custodial trust accounts - Carbon Dioxide Community Protection Account and the Local Public Safety and Emergency Preparedness Subaccount - for administration of the Carbon Dioxide Community Safety and Protection program, including the review and processing of grant applications, compliance monitoring and enforcement, reporting requirements, and distributions of funds to eligible recipients. C&E indicates that no Class VI wells have begun injection of CO<sub>2</sub> and none are anticipated to reach the \$5 M cap or \$10 M cap within the next five fiscal years; therefore, expenditures are not expected in the near term. **LFO notes that any changes to the timing of injection activities and the commencement of fee collections will shift the timeframe of the fiscal impact.**

Proposed law authorizes administrative costs of up to 5% of excess fees to be used for program administration; however, the Department of Conservation and Energy (C&E) reports that these responsibilities can be absorbed within existing resources until injection begins and subsequent collections are made to provide revenues to the Carbon Dioxide Community Protection Account.

Treasury requires certain resources to create a special fund in the treasury, as in this bill. Should aggregate session action result in the creation of funds beyond that which can be absorbed with existing resources, additional funding may be required, which is assumed to be SGR in this fiscal note.

**REVENUE EXPLANATION**

Proposed law will result in an indeterminable increase in special custodial trust account revenues within the Carbon Dioxide Community Protection Account and the Local Public Safety and Emergency Preparedness Subaccount from excess fees collected from carbon dioxide storage facilities after the \$5 M cap is reached in the Carbon Dioxide Geologic Storage Trust Fund. C&E reports that increases to the fund are not anticipated within the next five fiscal years, as collection of excess fees begins only after a facility reaches the \$5 M per-facility cap or \$10 M operator cap, and no Class VI wells have begun injection of CO<sub>2</sub> to date.

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}

*Alan M. Boxberger*  
**Alan M. Boxberger**  
**Legislative Fiscal Officer**