



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **SB 452** SLS 26RS 805
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 19, 2026 3:37 PM	Author: WHEAT
Dept./Agy.: Conservation and Energy	Analyst: Mimi Blanchard
Subject: Coastal Use Permits - Lake Maurepas	

WATER/WATERWAYS OR -\$1,142,000 GF RV See Note Page 1 of 2
 Prohibits issuance of certain coastal use permits on Lake Maurepas. (8/1/26)

Current law authorizes the secretary of the Department of Conservation and Energy (C&E) and approved local coastal programs to issue coastal use permits for activities occurring within the coastal zone, including construction, dredging, and other uses impacting coastal waters and lands.

Proposed law retains present law but prohibits the issuance of coastal use permits for any work or construction on Lake Maurepas, except for (1) construction, alteration, or maintenance of certain structures such as wharves, piers, docks, bulkheads, landfills, or similar structures, (2) repair or replacement of existing pipelines or well facilities, and (3) dredging or disposal of dredged material.

Effective August 1, 2026.

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

Annual Total

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	(\$1,142,000)	(\$3,441,000)	(\$3,441,000)	(\$3,441,000)	(\$3,441,000)	(\$14,906,000)
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	(\$856,500)	(\$2,580,750)	(\$2,580,750)	(\$2,580,750)	(\$2,580,750)	(\$11,179,500)
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	(\$856,500)	(\$2,580,750)	(\$2,580,750)	(\$2,580,750)	(\$2,580,750)	(\$11,179,500)

Annual Total

EXPENDITURE EXPLANATION

The Coastal Protection and Restoration Authority (CPRA) reports that there are no current projects in the Lake Maurepas area impacted by proposed law. CPRA also reports that it is unclear whether shoreline protection activities would qualify under the exemptions provided in the bill, which may limit CPRA's ability to implement future shoreline protection projects in Lake Maurepas. The MOF for any potential expenditure impact to CPRA is statutory dedications out of the Coastal Protection and Restoration Fund.

REVENUE EXPLANATION

Proposed law prohibits the issuance of coastal use permits for any work or construction on Lake Maurepas, except for (1) construction, alteration, or maintenance of certain structures such as wharves, piers, docks, bulkheads, landfills, or similar structures, (2) repair or replacement of existing pipelines or well facilities, and (3) dredging or disposal of dredged material. C&E reports that proposed law would prohibit the issuance of coastal use permits for the construction of CO₂ pipelines for Class VI carbon capture and sequestration (CCS) projects. C&E reports that there is currently one CCS projects in the construction phase and awaiting final injection permit approval within the boundaries of Lake Maurepas. To the extent that construction associated with this project does not proceed, or that future Class VI carbon capture and storage (CCS) projects are unable to construct CO₂ pipelines through Lake Maurepas, state revenues associated with CCS activity will be reduced.

Bonus or lease revenue from Class VI CCS projects are allocated 40% to the State General Fund (SGF), 30% to the Mineral and Energy Operation (ME&O) Fund, and 30% to the parish or parishes (split according to share of acreage) where the injection well is located. **Based on estimates associated with the current project in the Lake Maurepas area, C&E estimates a loss of approximately \$2.9 M for the remaining portion of the construction phase in FY 27, including approximately \$1.14 M SGF, \$856,500 to the ME&O Fund, and \$856,500 to effected parishes (\$460,540 to Livingston, \$356,304 to St. John the Baptist, and \$39,656 to Tangipahoa).**

Once injection begins, based on the minimum guaranteed annual payments specified in the Lake Maurepas project agreement, C&E estimates revenue losses associated with injection of approximately \$8.6 M annually beginning in FY 28, including \$3.44 M SGF, \$2.6 M to the ME&O Fund, and \$2.6 M to affected parishes (\$1.4 M to Livingston, \$1.1 M to St. John the Baptist, and \$119,489 to Tangipahoa). Private landowners in those parishes may receive royalty payments if their land is included in a unitized storage area, depending on the terms of the operating agreement.

CONTINUED REVENUE EXPLANATION ON PAGE 2.

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}

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CONTINUED EXPLANATION from page one:
CONTINUED REVENUE EXPLANATION

There are currently 99 pending Class VI well applications associated with 30 projects statewide. Each Class VI injection well has a one-time application fee of \$100,000, plus \$10,000 for each additional well at a storage facility with total fees capped at \$200,000 for the initial filing. Additionally, a periodic area of review filing fee of \$25,000 is collected within 5 years of first injection. All of these fees are deposited into the Carbon Dioxide Geologic Storage Trust Fund to support regulatory oversight by C&E. The LFO is unclear whether or not applications fees already paid for pending projects would have to be refunded should projects not proceed as a result of proposed law.

Because pipelines are required to transport captured carbon dioxide to Class VI injection wells, a prohibition on coastal use permits for the construction of such pipelines even in a specified geographic area could prevent otherwise permitted multi-parish or interstate CCS projects from proceeding. C&E reports that any impact to the construction of CO2 pipelines in the Lake Maurepas area will additionally prevent two CCS projects located within the Maurepas Swamp WMA from proceeding. For projects located within Wildlife Management Areas (WMAs) regulated by the Louisiana Department of Wildlife and Fisheries (LDWF), 100% of the CCS revenue is directed to LDWF to be deposited into the Conservation Fund for the management of the WMA. Revenue losses associated with these projects are approximately \$3.3 M to the Conservation Fund in FY 27. Once Class VI wells begin injecting CO2, LDWF receives 70% of injection revenues for such projects, with the remaining 30% to the parish or parishes (split according to share of acreage). The revenue loss from injection is estimated at approximately \$7 M annually beginning in FY 28, including \$4.9 M to the Conservation Fund and \$2.1 M to affected parishes (\$697,500 M to St. James, \$1.2 M to St. John the Baptist, and \$198,150 to Ascension). LFO cannot corroborate or refute the associated impacts to adjacent projects as a result of proposed law, therefore these estimates are not included in the table above. To the extent that the associated projects within the WMA cannot proceed, these revenue losses would be realized in addition to those reflected in the revenue table on page one. The legality of restricting or interfering with interstate projects is uncertain, and while the resulting fiscal impact cannot be quantified at this time, it could be significant potentially in the hundreds of millions of dollars if projects undertaken in conjunction with or under contract with other states do not proceed.

LFO believes that to the extent that certain permits are prohibited by proposed law, associated revenues from coastal use permit application fees deposited into the Coastal Resources Trust Dedicated Fund Account may be impacted.

Senate Dual Referral Rules
[] 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
[X] 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
[] 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
[X] 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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