



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 566** HLS 26RS 628
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 24, 2026	3:30 PM	Author: OWEN, CHARLES
Dept./Agy.: Statewide		Analyst: Richie Anderson
Subject: Net-Zero Gas Emissions Policies		

APPROPRIATIONS OR DECREASE RV See Note Page 1 of 2
 Prohibits use of state funds in support of net-zero greenhouse gas emissions policies

Proposed law prohibits the allocation, expenditure, or obligation of state funds by a state entity for any program, project, or activity that is directly tied to or supports the achievement of net-zero greenhouse gas emissions goals. Specifically, if this program, project, or activity was outlined in the February 2022 Climate Action Plan. Proposed law provides exceptions; allows private citizen or entity with knowledge of a violation of the proposed law to institute a civil action against a public entity; provides for an exclusion for incentives for reduction of pollutants or harmful chemicals the Department of Environmental Quality has identified; applies to all funds appropriated beginning on July 1, 2026; and provides that the proposed law shall be null and void on January 1, 2031.

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

Annual Total

EXPENDITURE EXPLANATION

Proposed law prohibits the allocation, expenditure, or obligation of state funds by a state entity for any program, project, or activity that is directly tied to or supports the achievement of net-zero greenhouse gas emissions goals. To the extent any state agency has a project that supports the achievement of net-zero greenhouse gas emissions goals, these agencies will not be able to continue administering, expending, or obligating state funds towards these projects. This would result in a decrease of state expenditures, assumed to be SGF for simplicity. The LFO surveyed various agencies for potential impacts and includes a description of the known impacts below. To the extent an agency identifies a project that is directly tied to, or supports the achievement of net-zero greenhouse gas emissions goals in the future, state expenditures will decrease accordingly.

Coastal Protection Restoration Authority (CPRA): Proposed law will decrease expenditures out of the statutorily dedicated Coastal Protection Restoration Fund. Proposed law prohibits the allocation, expenditure, or obligation of state funds by a state entity for any program, project, or activity that is directly tied to or supports the achievement of net-zero greenhouse gas emissions goals. CPRA reports that the Coastal Carbon Program was outlined in the February 2022 Climate Action Plan. Proposed law would prohibit the expending funds towards this program. CPRA is unable to quantify the amount that expenditures would decrease, as it would depend on the project timing of CPRA implementing the Coastal Carbon Program.

Department of Conservation and Energy: Proposed law will decrease SGR expenditures for the Department of Conservation and Energy (DCE). Proposed law prohibits the allocation, expenditure, or obligation of state funds by a state entity for any program, project, or activity that is directly tied to or supports the achievement of net-zero greenhouse gas emissions goals. If DCE is unable to expend funds if the activities are tied to net-zero gas emissions, the department reports it may be unable to regulate activities related to Class VI Carbon Capture and storage (CCS) wells. DCE reports that if they are unable to regulate CCS wells then SGR expenditures would significantly decrease.

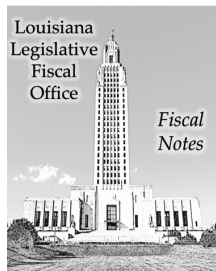
REVENUE EXPLANATION

Proposed law prohibits the allocation, expenditure, or obligation of state funds by a state entity for any program, project, or activity that is directly tied to or supports the achievement of net-zero greenhouse gas emissions goals. To the extent any state agency has a project that supports the achievement of net-zero greenhouse gas emissions goals, these agencies will not be able to continue administering these projects. If agencies are collecting fees or receiving federal grants to administer programs, then there may be a decrease in revenue collections. **Revenue Explanation Continued 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}

Patrice Thomas
 Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

Revenue Explanation Continued:

The LFO surveyed various agencies for potential impacts and includes a description of the known impacts below. To the extent an agency identifies a project that is directly tied to or supports the achievement of net-zero greenhouse gas emissions goals in the future, the state revenues will decrease accordingly.

Department of Conservation and Energy: Proposed law will decrease Federal funding for the Department of Conservation and Energy. Proposed law prohibits the allocation, expenditure, or obligation of state funds by a state entity for any program, project, or activity that is directly tied to or supports the achievement of net-zero greenhouse gas emissions goals.

If DCE cannot regulate the CCS industry, and CCS operations cease, additional revenue impacts may occur. These activities provide DCE with revenues from permitting and regulating this industry. For illustrative purposes, bonus or lease revenue from Class VI carbon capture and storage (CCS) projects is allocated 40% to the State General Fund, 30% to the Mineral and Energy Operation Fund, and 30% to the parish or parishes (split according to share of acreage) where the injection well is located.

Department of Environmental Quality (DEQ): Proposed law may decrease future Federal funding, which includes commitments to net-zero greenhouse gas emission goals. Currently, the department does not have any funding that meets this requirement; however, if future Federal funding opportunities arise, DEQ would be unable to apply.

Louisiana Economic Development: Proposed law may decrease federal funding for Louisiana Economic Development (LED). LED currently has initiatives such as the Nuclear Strategic Framework and Whole-of-Louisiana Energy Strategy that receive federal funding. LED has invested a significant amount of resources into these initiatives and would be impacted by the proposed law, and may restrict federal funding LED is eligible to receive.

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

House
[X] 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}

Signature of Patrice Thomas
Patrice Thomas
Deputy Fiscal Officer