

2025 Regular Session

HOUSE BILL NO. 553

BY REPRESENTATIVE SCHAMERHORN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

ENERGY/CONSERVATION: Prohibits the exercise of eminent domain or unitization for a pipeline that carries carbon dioxide

1 AN ACT

2 To amend and reenact R.S. 19:2(10) and R.S. 30:1108(A)(1), (C), and (D) and to enact R.S.
3 30:1108.1, relative to the acquisition of property for carbon sequestration related
4 activities; to prohibit the exercise of eminent domain or unitization for the purposes
5 of constructing or operating a pipeline for carbon dioxide transport; and to provide
6 for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 19:2(10) is hereby amended and reenacted to read as follows:

9 §2. Expropriation by state or certain corporations, limited liability companies, or
10 other legal entities

11 Prior to filing an expropriation suit, an expropriating authority shall attempt
12 in good faith to reach an agreement as to compensation with the owner of the
13 property sought to be taken and comply with all of the requirements of R.S. 19:2.2.
14 If unable to reach an agreement with the owner as to compensation, any of the
15 following may expropriate needed property:

16 * * *

17 (10) Any domestic or foreign corporation, limited liability company, or other
18 legal entity created for the purpose of, or engaged in, the piping or marketing of
19 carbon dioxide for use in connection with a secondary or tertiary recovery project for
20 the enhanced recovery of liquid or gaseous hydrocarbons approved by the

1 commissioner of conservation, ~~or created for the purpose of, or engaged in, the~~
2 ~~transportation of carbon dioxide by pipeline for underground storage, including but~~
3 ~~not limited to through connecting to an existing pipeline transporting carbon dioxide~~
4 ~~for underground storage, whether owned or operated by the same entity, and which~~
5 ~~has received a certificate of public convenience and necessity pursuant to the~~
6 ~~provisions of R.S. 30:1107(B). Property located in Louisiana may be so~~
7 ~~expropriated for the transportation of carbon dioxide for underground injection in~~
8 ~~connection with such projects located in Louisiana or in other states or jurisdictions.~~

9 * * *

10 Section 2. R.S. 30:1108(A)(1), (C), and (D) are hereby amended and reenacted and
11 R.S. 30:1108.1 is hereby enacted to read as follows:

12 §1108. Eminent domain; expropriation

13 A.(1) Any storage operator is hereby authorized, after obtaining any permit
14 and any certificate of public convenience and necessity from the commissioner
15 required by this Chapter, to exercise the power of eminent domain and expropriate
16 needed property to acquire surface and subsurface rights and property interests
17 necessary or useful for the purpose of constructing, operating, or modifying a storage
18 facility and the necessary infrastructure ~~including the laying, maintaining, and~~
19 ~~operating of pipelines for the transportation of carbon dioxide to a storage facility,~~
20 together with utility, telegraph, and telephone lines necessary and incidental to the
21 operation of these storage facilities and pipelines, over private property thus
22 expropriated; and have the further right to construct and develop storage facilities
23 and the necessary infrastructure, ~~including the laying, maintaining, and operating of~~
24 ~~pipelines~~ along, across, over, and under any navigable stream or public highway,
25 street, bridge, or other public place; and also have the authority, under the right of
26 expropriation herein conferred, to cross railroads, street railways, and other
27 pipelines, by expropriating property necessary for the crossing under the general
28 expropriation laws of this state. The right to run along, across, over, or under any
29 public road, bridge, or highway, as before provided for, may be exercised only upon

condition that the traffic thereon is not interfered with, and that such road or highway is promptly restored to its former condition of usefulness, at the expense of the storage facility ~~and the pipeline owner if different from the storage operator~~, the restoration to be subject also to the supervision and approval of the proper local authorities.

* * *

~~C. The eminent domain authority authorized under this Chapter shall be exercised pursuant to the procedures found in R.S. 19:2, and shall be in addition to any other power of eminent domain authorized by law.~~

~~D.~~ The commissioner is neither a necessary nor indispensable party to an eminent domain proceeding, and if named as a party or third party has an absolute right to be dismissed from said action at the expense of the party who names the commissioner. The commissioner shall recover all costs reasonably incurred to be dismissed from the action, including attorney fees.

§1108.1. Prohibition of eminent domain or unitization for carbon dioxide transport

A. Notwithstanding any provision of law to the contrary, no corporation, person, or other entity shall exercise the right of eminent domain to acquire surface rights or property interests to construct or operate a pipeline for the primary purpose of transporting carbon dioxide.

B. No unitization order shall be issued by the commissioner to authorize the use of private property to construct or operate a pipeline for the primary purpose of transporting carbon dioxide without the property owner's consent.

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 553 Original

2025 Regular Session

Schamerhorn

Abstract: Prohibits the exercise of eminent domain or unitization for the purposes of constructing or operating a pipeline for carbon dioxide transport.

Present law provides for expropriation by the state or certain corporations, limited liability companies, or other legal entities.

Present law (R.S. 19:2(10)) provides for expropriation by any domestic or foreign corporation, limited liability company, or other legal entity created for the purpose of, or engaged in, the piping or marketing of carbon dioxide for use in connection with a secondary or tertiary recovery project for the enhanced recovery of liquid or gaseous hydrocarbons approved by the commissioner of conservation, or created for the purpose of, or engaged in, the transportation of carbon dioxide by pipeline for underground storage or for property located in La. for the transportation of carbon dioxide for underground injection in connection with such projects located in La. or in other states or jurisdictions.

Proposed law removes the provision contained in present law that allows for expropriation by any legal entity of property for the transportation of carbon dioxide for underground injection.

Present law (R.S. 30:1108) authorizes any storage operator, after obtaining any permit and any certificate of public convenience and necessity from the commissioner, to exercise the power of eminent domain and expropriate needed property to acquire surface and subsurface rights and property interests necessary or useful for the purpose of constructing, operating, or modifying a storage facility and the necessary infrastructure including the laying, maintaining, and operating of pipelines for the transportation of carbon dioxide to a storage facility.

Proposed law removes the provision in present law authorizing any storage operator to exercise the power of eminent domain and expropriate needed property for the laying, maintaining, and operating of pipelines for the transportation of carbon dioxide to a storage facility.

Proposed law (R.S. 30:1108.1) prohibits any person or legal entity from exercising the right of eminent domain or unitization to acquire rights for the construction or operation of a carbon dioxide pipeline. However, authorizes unitization with consent of the property owner.

(Amends R.S. 19:2(10) and R.S. 30:1108(A)(1), (C), and (D); Adds R.S. 30:1108.1)