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 691 Reengrossed

2025 Regular Session

Carrier

Abstract: Establishes additional mandatory incident reporting requirements for carbon dioxide storage facilities, increases civil penalties, and imposes criminal penalties for willful or knowing failures to comply with mandatory reporting. Further provides for notice to the public and emergency response agencies.

<u>Present law</u> requires reporting by owners or operators of Class VI wells within 24 hours of the occurrence of:

- (1) Evidence that the injected carbon dioxide stream or pressure may endanger underground sources of drinking water.
- (2) Noncompliance with a permit condition, or malfunction of the injection system, which may cause fluid migration into or between underground sources of drinking water.
- (3) Failure to maintain mechanical integrity.

Proposed law retains present law but adds further requirements for reporting:

- (1) Any equipment malfunction that could lead to the release of stored carbon dioxide.
- (2) Any release of stored carbon dioxide.

<u>Proposed law</u> adds that for any incident required to be reported within 24 hours, the report must include, at a minimum:

- (1) The precise location of the incident.
- (2) A description of the incident, including its cause, when possible.
- (3) Potential risks to public health, water sources, and land stability.
- (4) Immediate mitigation steps taken in response.
- (5) A timeline for corrective action.

Proposed law further provides that for any report required to be made within 24 hours, the operator

also notify emergency response teams, local law enforcement, local governing officials, and the general public within 48 hours of the occurrence.

<u>Proposed law</u> adds that a violation of these reporting requirements subjects the operator and owner to the following:

- (1) Civil penalties established under <u>present law</u> for violations of any carbon dioxide sequestration statutes.
- (2) Criminal penalties for any knowing or willful violation, which may include fines of up to \$25,000 per day of violation, the costs of prosecution, and up to one year of imprisonment. Restricts criminal prosecution if the person is under a compliance order or subject to a civil penalty action for the same violation.

(Amends R.S. 30:1106(D)(1) and 1107.1(C); Adds R.S. 30:1107.1(B)(4) and (5) and (D) - (F))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Make technical changes.