LEGISLATIVE FISCAL OFFICE **Fiscal Note**



MINERALS

Fiscal Note On:

SB

36 SLS 25RS 262

Bill Text Version: ENGROSSED

Opp. Chamb. Action: w/ HSE FLOOR AMD

Proposed Amd.: Sub. Bill For .:

Date: June 9, 2025

5:23 PM

Author: HENSGENS

Dept./Agy.: Energy and Natural Resources

Analyst: Mimi Blanchard

Subject: Carbon Sequestration

EGF NO IMPACT See Note

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Provides for carbon sequestration. (8/1/25)

Current law requires the Commissioner of Conservation to establish rules, regulations, and orders necessary for administering and enforcing carbon sequestration operations, including plugging abandoned wells, closing associated surface facilities, removing equipment and structures, and conducting general site cleanup. The commissioner is authorized to conduct investigations, inspections, and inquiries related to waste prevention, enforce compliance, and approve unit operations for geologic storage to promote efficient development and prevent waste through the consolidation of separately owned tracts. Current law authorizes the Commissioner of Conservation to issue certificates of public convenience and necessity to carbon dioxide transporters and certificates of completion of injection operations to operators that meet applicable requirements following a public hearing.

Proposed law retains current law and provides that the Secretary give substantial consideration to local government comments when determining appropriate courses of action in matter requiring public comment or hearings. Entities issued a certificate of public convenience and necessity prior to the effective date of proposed law remain valid and are not subject to future determinations by the Commissioner. Effective upon signature of the governor.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Change {S & H}

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Refe	erral Rules	<u>House</u>	
13.5.1 >= \$100,000 A	nnual Fiscal Cost {S & H}	$6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}$	
13.5.2 >= \$500,000 A	nnual Tax or Fee	6.8(G) >= \$500,000 Tax or Fee Increase	Deborah V

or a Net Fee Decrease {S}

/ivien **Chief Economist**

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