

SENATE BILL NO. 379

BY SENATOR HENSGENS

1 AN ACT

2 To amend and reenact R.S. 30:3(7), 4(C)(14), (D)(1)(a) and (5), (G), and (I)(2), 5(C)(1), the
3 introductory paragraph of (C)(2), and (6), and (D)(1), 5.1(A)(1) and (B)(1), 6.1(A)
4 and (C), 12(A)(2), 21.1(A)(3) and (D)(5), 23(D)(2), 26, 29(A) and (I)(4), 73(1),
5 74(A)(3) and (B), 98.3(B), 101.2(A), 101.5(A), 127(A), 136.3(B)(1) and (C), 153(A),
6 the introductory paragraph of 548, 917(F), 1110(A)(2) and (C)(1)(f) and (g), R.S.
7 36:356.1(D) and 358(B), (E)(2), and (G), and R.S. 49:214.35(B), (E), and (F) and to
8 enact R.S. 30:12(A)(3), 84(A)(9) and (10), and 2050.22(C) and R.S. 49:214.35(G)
9 and 978.1(A)(3), and to repeal R.S. 30:4(O)(3), 85, and 101.6, relative to the
10 Department of Conservation and Energy; to provide for technical corrections to the
11 structure and organization of the department; to provide for powers and duties of the
12 secretary of the Department of Conservation and Energy; to provide for the office
13 of state resources; to provide for leasing authority; to provide for the Mineral and
14 Energy Operation Fund; to provide for instructions to the Louisiana Law Institute;
15 to provide for definitions; to provide for judicial review of administrative decisions;
16 to provide for investment of funds; to provide for an effective date; and to provide
17 for related matters.

18 Be it enacted by the Legislature of Louisiana:

19 Section 1. R.S. 30:3(7), 4(C)(14), (D)(1)(a) and (5), (G), and (I)(2), 5(C)(1), the
20 introductory paragraph of (C)(2), and (6), and (D)(1), 5.1(A)(1) and (B)(1), 6.1(A) and
21 (C), 12(A)(2), 21.1(A)(3) and (D)(5), 23(D)(2), 26, 29(A) and (I)(4), 73(1), 74(A)(3) and (B),
22 98.3(B), 101.2(A), 101.5(A), 127(A), 136.3(B)(1) and (C), 153(A), the introductory
23 paragraph of 548, 917(F), 1110(A)(2) and (C)(1)(f) and (g) are hereby amended and
24 reenacted and R.S. 30:12(A)(3), 84(A)(9) and (10), and 2050.22(C) are hereby enacted to
25 read as follows:

26 §3. Definitions

27 Unless the context otherwise requires, the words defined in this Section have

1 the following meaning when found in this Subtitle:

2 * * *

3 (7) "Gas" means all natural gas, including casinghead gas, and all other
4 hydrocarbons not defined as oil in Paragraph ~~(7)~~ (12) of this Section.

5 * * *

6 §4. Jurisdiction, duties, and powers of the secretary; rules and regulations

7 * * *

8 C. The secretary has authority to make, after notice and hearings as provided
9 in this Chapter, any reasonable rules, regulations, and orders that are necessary from
10 time to time in the proper administration and enforcement of this Chapter, including
11 rules, regulations, or orders for the following purposes:

12 * * *

13 (14) To require interested persons to place uniform meters of a type approved
14 by the secretary wherever the secretary designates on all pipelines, gathering
15 systems, barge terminals, loading racks, refineries, or other places necessary or
16 proper to prevent waste and the transportation of illegally produced oil or gas. These
17 meters shall be under the supervision and control of the department ~~of conservation~~.
18 It shall be a violation of this Chapter, subject to the penalties provided in R.S. 30:18,
19 for any person to refuse to attach or install a meter when ordered to do so by the
20 secretary, or in any way to tamper with the meters so as to produce a false or
21 inaccurate reading, or to have any device through which the oil or gas can be passed
22 around the meter, unless expressly authorized by written permit of the secretary.

23 * * *

24 D. The secretary may make, after notice and public hearing as provided in
25 this Chapter, any reasonable rules, regulations, and orders that are necessary:

26 (1) To require that all pipelines, all wells, and all associated structures,
27 including any fittings, tie-overs, appliances, and equipment, which are constructed
28 on state water bottoms pursuant to the grant of a right-of-way by the secretary of the
29 Department of Conservation and Energy or the issuance of a lease by the State
30 Mineral and Energy Board shall conform to the following provisions:

1 (a) The owner or operator of a pipeline constructed on a right-of-way granted
 2 on state water bottoms shall be responsible for burying the line to a depth consistent
 3 with regulations promulgated by the ~~office of conservation~~ **department** and for
 4 maintaining it at said depth to the extent feasible and practical, as determined by the
 5 secretary, taking into account the changes wrought by natural forces.

6 * * *

7 (5) To provide that the ~~office of conservation~~ **department** shall conduct such
 8 inspections as the secretary may deem necessary or appropriate in carrying out the
 9 provisions of this Subsection.

10 * * *

11 G. The Department of Conservation and Energy, through the secretary, shall
 12 implement the provisions of Subsections D, E, and F of this Section as to interstate
 13 pipelines insofar as those requirements may be consistent with the regulations for
 14 interstate pipelines adopted by the United States Department of Transportation. In
 15 such event, the ~~office~~ **department** shall further implement the provisions of
 16 Subsections D, E, and F of this Section insofar as those requirements may be
 17 consistent with the regulations for interstate pipelines adopted by the United States
 18 Department of Energy.

19 * * *

20 I. The secretary shall make, after notice and public hearing as provided in this
 21 Chapter, any reasonable rules, regulations, and orders that are necessary to control
 22 the offsite disposal at commercial facilities of drilling mud, saltwater and other
 23 related nonhazardous wastes generated by the drilling and production of oil and gas
 24 wells. Such regulations shall contain provisions identifying the waste materials to be
 25 regulated. Such regulations shall at a minimum require:

26 * * *

27 (2) At least thirty days prior to filing such application with the ~~office~~
 28 **department**, the applicant shall publish a notice of intent to file the application,
 29 which notice shall contain sufficient information to identify the applicant, the
 30 proposed site at which disposal operations will occur, the nature and content of the

1 waste streams to be disposed of, and the method of disposal to be used. Such notice
2 shall be published on three separate days in the official journal of the parish in which
3 the proposed facility will be located, and in the official journal of the state, not less
4 than one quarter of a page in size and printed in boldface type.

5 * * *

6 §5. Permission to convert gas into carbon black; recycling gas; unit operations

7 * * *

8 C.(1) Without any way modifying the authority granted to the secretary in
9 R.S. 30:9(B) to establish a drilling unit or units for a pool and in addition to the
10 authority conferred in Subsection B of this Section:

11 (a) The secretary ~~of the office of conservation~~ upon the application of any
12 interested party, also is authorized and empowered to enter an order requiring the
13 unit operation of any pool or a combination of two pools in the same field,
14 productive of oil or gas, or both, in connection with the institution and operation of
15 systems of pressure maintenance by the injection of gas, water, or any other
16 extraneous substance, or in connection with any program of secondary or tertiary
17 recovery; and

18 (b) The secretary ~~of the office of conservation~~ is further authorized and
19 empowered to require the unit operation of a single pool in any situation where the
20 ultimate recovery can be increased and waste and the drilling of unnecessary wells
21 can be prevented by such a unit operation.

22 (2) In connection with such an order of unit operation, the secretary ~~of the~~
23 ~~office of conservation~~ shall have the right to unitize, pool, and consolidate all
24 separately owned tracts and other property ownerships. Any order for such a unit
25 operation shall be issued only after notice and hearing and shall be based on all of
26 the following findings:

27 * * *

28 (6) No order of the secretary entered pursuant hereto shall have the effect of
29 enlarging, displacing, varying, altering, or in anywise whatsoever modifying or
30 changing contracts in existence on ~~the effective date of this Act~~ August 15, 1984,

1 concerning the unitization of any pool (reservoir) or pools (reservoirs) or field (as
2 defined in the contract) for the production of oil, gas, brine, or any combination
3 thereof.

4 D.(1) In order to prevent waste and increase the ultimate recovery of oil or
5 gas, or both, the secretary of ~~the office of conservation~~, upon the application of any
6 interested owner, and only after notice and a public hearing, is authorized to approve
7 a cyclic injection project for the operation of a well by the method of enhanced
8 recovery known as cyclic injection, without the formation of a unit under Subsection
9 C of this Section or under any other provisions of this Chapter. No operator shall
10 utilize cyclic injection without first securing the secretary's approval pursuant to this
11 Subsection. For the purposes of this Subsection, "cyclic injection" is hereby defined
12 as a single-well process in which a production well is injected with a substance for
13 the purpose of enhanced recovery. After a shut-in period, the well is returned to
14 production. This procedure may be performed repeatedly on one or more wells in a
15 reservoir.

16 * * *

17 §5.1. Deep pool order; ultra deep structure units; application; procedure; allocation
18 of costs; rules and regulations

19 A. The following shall be applicable to deep pool units:

20 (1) In order to prevent waste and to avoid the drilling of unnecessary wells,
21 and to encourage the development of deep oil and gas pools in Louisiana, the
22 secretary of ~~conservation~~ is authorized, as provided in this Subsection, to establish
23 a single unit to be served by one or more wells for a deep pool and to adopt a
24 development plan for such deep unit.

25 * * *

26 B. The following shall be applicable to ultra deep structure units:

27 (1) In order to prevent waste and to avoid the drilling of unnecessary wells,
28 and to encourage the development of ultra deep oil and gas structures in Louisiana,
29 the secretary of ~~conservation~~ is authorized, as provided in this Subsection, to
30 establish a single unit to be served by one or more wells for an ultra deep structure

1 and to adopt a plan of development for such ultra deep structure unit. For purposes
2 of this ~~statute~~ **Section**, a "structure" is defined as a unique geologic feature that
3 potentially traps hydrocarbons in one or more pools or zones.

4 * * *

5 §6.1. Declaration of emergency

6 A. Notwithstanding any other provision of this Title, upon receipt of evidence
7 that there is an incident occurring or threatening to occur imminently at an oilfield
8 site or other facility, structure, or pipeline under the department's jurisdiction
9 pursuant to R.S. 30:1 et seq., which is of such magnitude as to require immediate
10 action to prevent substantial or irreparable damage to the environment or a serious
11 threat to life or safety based on recognized criteria, standards or industry practices,
12 the ~~department~~ **secretary** may declare in writing that an emergency exists.

13 * * *

14 C. When an emergency situation is declared, the ~~department~~ **secretary** is
15 authorized to undertake the containment and abatement of the pollution source and
16 pollutants and may retain personnel or contract for these purposes with persons who
17 shall operate under his direction. All contracts let by the ~~department~~ **secretary** to
18 respond to a declared emergency shall be exempt from the provisions of Chapter 10
19 of Title 38 of the Louisiana Revised Statutes of 1950 and the Louisiana Procurement
20 Code. However, the ~~department~~ **secretary** may employ an informal bidding
21 procedure by which bids are solicited from at least three bidders and may order the
22 operator of record or owner to undertake the containment, abatement, or cleanup of
23 such pollution source and pollutants. Failure to comply with his order shall be a
24 violation of this Title and shall be punishable as provided in this Title. The
25 department shall submit an annual report to the House Committee on Natural
26 Resources and Environment and Senate Committee on Natural Resources listing the
27 number and type of emergencies declared within the previous year.

28 * * *

29 §12. Court review and injunction; venue; procedure; burden of proof

30 A. * * *

1 unencumbered monies remaining in this fund at the end of the fiscal year shall
 2 remain in the fund. Except for the pledge of the revenues provided in R.S. 30:83.1,
 3 it is the intent of the legislature that this fund and its increments shall remain intact
 4 and inviolate. Monies in the fund shall be invested by the state treasurer in the same
 5 manner as monies in the state general fund. At the request of the Natural Resources
 6 Trust Authority, the state treasurer may invest monies in the fund, or any portion
 7 thereof, in accordance with the provisions of R.S. 33:2955, ~~including the use of the~~
 8 ~~Louisiana Asset Management Pool;~~ **a separate portfolio** and any interest earned on
 9 such investments shall be credited to the fund.

10 * * *

11 D. Monies in the fund shall be used solely for the following purposes:

12 * * *

13 (5) Upon request by the Natural Resources Trust Authority and with the
 14 approval of the Mineral and Energy Board, the state treasurer is hereby authorized
 15 and directed to transfer from the Natural Resources Financial Security Fund to the
 16 Mineral and Energy ~~Operations~~ **Operation** Fund such amounts as are approved by
 17 the board and deemed necessary to implement any purpose for which monies in the
 18 Mineral and ~~Operations~~ **Energy Operation** Fund may be used, subject to the
 19 availability of funds and in accordance with applicable law.

20 * * *

21 §23. Underground storage of liquid or gaseous hydrocarbons or both, carbon
 22 dioxide, hydrogen, nitrogen, ammonia, compressed air, or noble
 23 gases not otherwise prohibited by law

24 * * *

25 D.(1)

* * *

26 (2) Upon presentation of the findings and determination by the secretary to
 27 the committees on natural resources of the Senate and House of Representatives and
 28 approval by said committees of any such projects, the secretary shall ~~authorize the~~
 29 ~~secretary to~~ initiate such procedures as the secretary deems necessary within the
 30 scope of his authority under Chapter 7 of this Title and the constraints of this Section

1 to accomplish the purposes hereof.

2 * * *

3 §26. Applications and notification of completeness

4 A. Notwithstanding any other law to the contrary, the secretary of the
5 Department of Conservation and Energy shall, after notification by the department
6 to the applicant that the application is complete, grant or deny all applications for all
7 permits, licenses, registrations, or compliance in this or any other Title within sixty
8 days. The notification of completeness shall be issued within fourteen days,
9 exclusive of holidays, by the department. If the application is not complete the
10 department shall notify the applicant in writing of the deficiencies which cause the
11 application not to be complete. If the secretary ~~or the secretary~~ does not grant the
12 application, the secretary ~~or the secretary~~ shall provide written reasons for his
13 decision to deny, and copies of the decision shall be provided to all parties. The
14 secretary ~~and the secretary~~ may delegate the power to grant permits, licenses,
15 registrations, variances, or compliance schedules to an assistant.

16 B. If the secretary does not grant or deny the application within the time
17 period provided for in this Section, the applicant may file a rule as provided for in
18 R.S. 49:978.

19 * * *

20 §29. Remediation of oilfield sites and exploration and production sites

21 A. The legislature hereby finds and declares that Article IX, Section 1 of the
22 Constitution of Louisiana mandates that the natural resources and the environment
23 of the state, including ground water, are to be protected, conserved, and replenished
24 insofar as possible and consistent with the health, safety, and welfare of the people
25 and further mandates that the legislature enact laws to implement this policy. It is the
26 duty of the legislature to set forth procedures to ensure that damage to the
27 environment is evaluated and if necessary remediated to a standard that protects the
28 public interest. To this end, this Section provides the procedure for judicial
29 resolution of claims for environmental damage to property arising from activities
30 subject to the jurisdiction of the Department of Conservation and Energy, ~~office of~~

1 secretary of such sale not less than thirty days prior to such sale. Such sale shall not
 2 occur unless the secretary consents thereto in writing, and the sale shall include the
 3 wellbore unless specifically excluded from the sale. In the event the wellbore is not
 4 specifically excluded from the sale as provided herein, the sheriff or person seeking
 5 such a sale shall cause to be included in the notice of the sale and in the sale
 6 instrument a statement or notice that the purchaser shall be required to file the
 7 appropriate documents with the department to become operator of record of the
 8 subject well pursuant to the provisions of R.S. ~~30:204~~ **30:28**.

9 (b) The secretary may, if he deems it appropriate to ~~insure~~ **ensure** the proper
 10 plugging and abandonment of the wells and closure of the associated oilfield pits,
 11 retain a first lien and privilege on such property, which lien and privilege shall
 12 follow such property into the hands of third persons whether such persons are in
 13 good or bad faith. The secretary shall record a notice of such lien with the clerk of
 14 court in the parish in which the property is located and in which the sale is to occur.
 15 The lien and privilege may be enforced against any person in possession of the
 16 property in the same manner as a lien provided ~~under the Louisiana Oil Well Lien~~
 17 **Act pursuant to R.S. 9:4861 et seq.**

18 * * *

19 B. Any failure or refusal by an owner or operator or responsible person to
 20 undertake such action as ordered by the secretary to take samples, monitor, contain,
 21 or clean up an abandoned oilfield waste site shall be a violation of this Chapter, and
 22 the ~~commission~~ **department**, in order to prevent damage to public health, the
 23 environment, or an oil or gas strata, may immediately declare the site abandoned,
 24 notwithstanding the provisions of R.S. 30:75, and commence appropriate
 25 proceedings under this Chapter, including the recovery of penalties, revocation of
 26 any permit, closure of the site, or any combination thereof.

27 * * *

28 §84. Powers of the secretary

29 A. The powers of the secretary shall include without limitation the power to
 30 do the following:

1 * * *

2 §~~85(A)(3)~~(9) The secretary shall perform all regulatory functions imposed
3 by this Part.

4 §~~85(A)(4)~~(10) Modify funding requirements of site-specific trust accounts
5 either upon recommendation of the trust authority, the secretary, or upon his own
6 determination, based upon changes in operation, site conditions, or trust account
7 status.

8 * * *

9 §98.3. Powers of the Department of Conservation and Energy

10 * * *

11 B. If the ~~office~~ **department** finds that compliance with all the requirements
12 of this Part would result in undue hardship, an exemption from any one or more of
13 such requirements may be granted by the office to the extent necessary to ameliorate
14 such undue hardship and to the extent such exemption can be granted without
15 impairing the intent and purpose of this Part.

16 * * *

17 §101.2. Policy and purpose

18 A. The legislature finds and declares that it is in the public interest and within
19 the police power of this state to establish a fishermen's gear compensation and
20 underwater obstruction removal program and a fishermen's gear compensation and
21 underwater obstruction removal dedicated fund account to provide for the proper and
22 timely identification, inventory, and removal of underwater obstructions that are a
23 hazard to navigation and commercial fishing in the state, and to compensate
24 commercial fishermen for damage to their fishing gear from the underwater
25 obstructions. The program and fund account shall be administered, ~~for purposes of~~
26 ~~fishermen's gear compensation, by the secretary of the office of coastal management~~
27 ~~and, for purposes of underwater obstruction, by the secretary of the Department of~~
28 Conservation and Energy.

29 * * *

30 §101.5. Powers of the secretary

1 A. The powers of the secretary shall include without limitation the power to
2 do the following:

3 (1) Administer general oversight of expenditures or commitments to make
4 expenditures from the dedicated fund account for the identification, inventory, and
5 removal of underwater obstructions as he deems necessary and appropriate.

6 (2) Maintain all supervisory and fiscal responsibility imposed under the
7 provisions of this Part.

8 (3) Perform such other specific functions as may be enumerated or
9 envisioned by the provisions of this Part.

10 ~~§101.6(A)(1)~~**(4)** Negotiate and execute contracts, upon such terms as he may
11 agree upon for underwater obstruction identification, inventory, and removal, and
12 other services necessary to meet the purpose of this Part.

13 ~~§101.6(A)(2)~~**(5)** Publish an annual list of underwater obstruction sites, to
14 include an inventory of the type, size and depth of the obstruction, and any other
15 relevant information which would aid navigation and commercial fishing in the
16 vicinity of the obstruction.

17 ~~§101.6(A)(3)~~**(6)** Prepare, evaluate, and approve an annual priority list for
18 underwater obstruction removal.

19 ~~§101.6(A)(4)~~**(7)** Prepare, evaluate, and approve a list of contractors
20 acceptable to conduct obstruction removal.

21 ~~§101.6(A)(5)~~**(8)** Administer and manage the Fishermen's Gear Compensation
22 and Underwater Obstruction Removal Program for identification, inventory, and
23 removal of underwater obstructions in the navigable coastal waters of the state.

24 ~~§101.6(A)(6)~~**(9)** Administer and manage the Fishermen's Gear Compensation
25 and Underwater Obstruction Removal Dedicated Fund Account.

26 ~~§101.6(A)(8)~~**(10)** Maintain a file on the location of known underwater
27 obstructions.

28 ~~§101.6(A)(9)~~**(11)** Administer the payment of appropriate compensation for
29 commercial fishermen whose fishing gear is damaged by underwater obstructions in
30 the Louisiana territorial waters that overlies state-owned waterbottoms that are

1 contained within the coastal zone boundaries as defined in R.S. 49:214.24.

2 * * *

3 §127. Opening bids; minimum royalties; terms of lease; deposit; security

4 A.(1) Only those bidders who are registered prospective leaseholders with the
 5 office of ~~mineral~~ state resources, or those who register within two business days
 6 after the lease sale at which the bid is opened and prior to the conditional issuance
 7 of the lease, shall be allowed to obtain a mineral lease from the state of Louisiana.
 8 Any bidder who is not properly registered with the office of ~~mineral~~ state resources
 9 at the time bids are opened, but whose bid is otherwise acceptable, shall have until
 10 the end of the second business day following the date on which the bid was
 11 conditionally accepted by the State Mineral and Energy Board to become properly
 12 registered with the office of ~~mineral~~ state resources. If the bidder remains
 13 unregistered by the close of business of the second business day following the day
 14 the mineral lease sale at which the bid was conditionally accepted, the conditionally
 15 accepted bid shall be deemed rejected. The provisions of this Subsection shall also
 16 apply in cases where there is no more than one bid made by unregistered prospective
 17 leaseholders. Bids may be for the whole or any particularly described portion of land
 18 advertised. At the time and place mentioned in the advertisement for the
 19 consideration of bids, they shall be publicly opened. Bids received by the mineral
 20 board shall be opened at any state-owned buildings situated in the city in which the
 21 capitol is located. The mineral board has authority to accept the bid most
 22 advantageous to the state and may lease upon whatever terms it considers proper.
 23 However, the minimum royalties to be stipulated in any mineral lease, other than a
 24 mineral lease executed by or on behalf of a school board, shall be:

25 ~~(1)~~(a) One-eighth of all oil and gas produced and saved.

26 ~~(2)~~(b) One-eighth of the value per long ton of sulphur produced and saved
 27 which shall yield not less than two dollars per long ton.

28 ~~(3)~~(c) One-eighth of the value per ton for all potash produced and saved,
 29 which shall yield not less than ten cents per ton.

30 ~~(4)~~(d) Five percent of all lignite produced and saved.

1 ~~(5)(e)~~ Five percent of the value per ton on a dry salt basis for all salt produced
2 and saved, which shall yield not less than ten cents per ton.

3 ~~(6)(f)~~ One-eighth of all other minerals produced and saved.

4 **(2) Notwithstanding provisions of Paragraph (1) of this Subsection to the**
5 **contrary, the State Mineral and Energy Board may authorize minimum**
6 **royalties of less than one-eighth but greater than one-sixteenth upon a finding**
7 **that market conditions, commodity prices, or other economic factors warrant**
8 **royalty reduction.**

9 * * *

10 §136.3. Mineral and Energy Operation Fund

11 * * *

12 B. Out of the funds remaining in the Bond Security and Redemption Fund,
13 after a sufficient amount is allocated from that fund to pay all obligations secured by
14 the full faith and credit of the state which become due and payable within any fiscal
15 year as required by Article VII, Section 9(B) of the Constitution of Louisiana, the
16 treasurer in each fiscal year shall pay into the fund revenues and amounts from the
17 following sources:

18 (1) The amount received by the state through the office of state resources
19 from **royalty field audit collections and** nonjudicial settlements, including but not
20 limited to settlements of disputes of royalty audit findings, title disputes, and acreage
21 conflicts, and court-awarded judgments and settlements.

22 * * *

23 C. Monies in the fund shall be invested by the state treasurer in the same
24 manner as monies in the state general fund. At the request of the Natural Resources
25 Trust Authority, the state treasurer may invest monies in the fund, or any portion
26 thereof, in accordance with the provisions of R.S. 33:2955, including the use of the
27 ~~Louisiana Asset Management Pool. Interest~~ **a separate portfolio and any interest**
28 earned on investment of monies in the fund shall be credited to the fund.

29 * * *

30 §153. Agencies may lease or administer through State Mineral and Energy Board

1 A. Any agency may by resolution direct the State Mineral and Energy Board
 2 to lease or otherwise contract for the exploration, development, or use of its land **for**
 3 **the development and production of minerals, oil, gas, or alternative energy**
 4 **sources and for the purposes set forth in R.S. 30:148.2.** The bonus money, if any,
 5 received pursuant to any such contract shall be transmitted by the State Mineral and
 6 Energy Board to the agency. After the execution of the original contract, all rights
 7 and authority in connection therewith shall be vested in the agency to the same extent
 8 as if the agency had itself administered and executed the contract.

9 * * *

10 §548. Exercise of powers

11 The secretary ~~of conservation~~ shall exercise his powers so as to provide,
 12 under the priorities hereinafter set forth, to the maximum extent practicable, for:

13 * * *

14 §917. Inspections and monitoring

15 * * *

16 F. After the state has assumed exclusive jurisdiction of surface coal mining
 17 operations as provided in Section 503 of P.L. 95-87, and as long as the state retains
 18 such jurisdiction, then no employee of the department performing any function or
 19 duty under this Chapter shall have a direct or indirect financial interest in any surface
 20 coal mining operation. Whoever knowingly violates the provisions of this Subsection
 21 shall, upon conviction, be punished by a fine of not more than two-thousand five
 22 hundred dollars, or by imprisonment of not more than one year, or by both. The
 23 secretary shall by regulation establish methods by which the provisions of this
 24 Subsection will be monitored and enforced by the secretary, including appropriate
 25 provisions for the filing by such employees in the review of statements and
 26 supplements thereto concerning any financial interest which may be effected by this
 27 Subsection. This Subsection shall not be given effect (1) if the Secretary of the
 28 Interior does not require the inclusion of similar provisions in state laws as a
 29 condition for approval by the Secretary of the Interior of state programs of regulation
 30 of surface coal mining and reclamation operations pursuant to Section 503 of P.L.

1 95-87 or (2) if any such requirement of the Secretary of the Interior is declared
 2 invalid by final decree of a court of competent jurisdiction: Provided, that if similar
 3 provisions are required by the Secretary of the Interior to be included in state laws,
 4 the ~~Secretary of Natural Resources and the secretary~~ **and the Secretary of the**
 5 **Interior** may commence and prosecute an action in the appropriate federal court to
 6 have the regulation requiring inclusion declared invalid.

7 * * *

8 §1110. Carbon Dioxide Geologic Storage Trust Fund

9 A. * * *

10 (2) After compliance with the requirements of Article VII, Section 9(B) of
 11 the Constitution of Louisiana relative to the Bond Security and Redemption Fund,
 12 and after a sufficient amount is allocated from that fund to pay all of the obligations
 13 secured by the full faith and credit of the state which become due and payable within
 14 any fiscal year, the treasurer shall pay into the fund, an amount equal to the monies
 15 received by the state treasury pursuant to this Chapter. The monies in this fund shall
 16 be used solely as provided in this Section and only in the amount appropriated by the
 17 legislature. All unexpended and unencumbered monies remaining in this fund at the
 18 end of the fiscal year shall remain in the fund. The monies in the fund shall be
 19 invested by the state treasurer in the same manner as monies in the state general fund
 20 and all returns of such investment shall be deposited to the fund. At the request of
 21 the Natural Resources Trust Authority, the state treasurer may invest monies in the
 22 fund, or any portion thereof, ~~in accordance with the provisions of R.S. 33:2955,~~
 23 ~~including the use of the Louisiana Asset Management Pool,~~ **in a separate portfolio**
 24 and any interest earned on such investments shall be credited to the fund. The funds
 25 received shall be placed in the special trust fund in the custody of the state treasurer
 26 to be used only in accordance with this Chapter and shall not be placed in the general
 27 fund. The funds provided to the secretary pursuant to this Section shall at all times
 28 be and remain the property of the secretary. The funds shall be used only for the
 29 purposes set forth in this Chapter and for no other governmental purposes, nor shall
 30 any branch of government be allowed to borrow any portion of the funds. It is the

1 intent of the legislature that this fund and its increments shall remain intact and
2 inviolate.

3 * * *

4 C. The secretary is hereby authorized to levy on each storage facility the
5 following fees or costs for the purpose of funding the fund:

6 (1) A fee payable to the department, in a form and schedule prescribed by the
7 department, for each ton of carbon dioxide injected for storage into that storage
8 facility. This fee is to be determined based upon the following formula:

9 * * *

10 (f) Once five million dollars has been contributed to the fund for a storage
11 facility, the fee assessments to that storage facility under this Section shall cease
12 until such time as funds begin to be expended for that storage facility. The secretary
13 of the Department of Conservation and Energy shall certify ~~to the secretary~~ **in**
14 **writing** the date on which the balance in the fund for a storage facility equals or
15 exceeds five million dollars. The fund fees shall not be collected or required to be
16 paid on or after the first day of the second month following the certification, except
17 that the secretary shall resume collecting the fees on receipt of a certification from
18 the secretary of the Department of Conservation and Energy that, based on the
19 expenditures or commitments to expend monies, the fund has fallen below four
20 million dollars for that storage facility.

21 (g) Notwithstanding the total number of storage facilities owned or operated
22 by a storage operator, once ten million dollars has been contributed to the fund by
23 a storage operator, the fee assessment to that storage operator under this Section shall
24 cease until such time as funds begin to be expended for any storage facility owned
25 or operated by that storage operator. The secretary of the Department of
26 Conservation and Energy shall certify ~~to the secretary~~ **in writing** the date on which
27 the balance in the fund for a storage operator equals or exceeds ten million dollars.
28 The fund fees shall not be collected or required to be paid on or after the first day of
29 the second month following the certification, except that the secretary shall resume
30 collecting the fees upon receipt of a certification from the secretary of the

1 Department of Conservation and Energy that, based on the expenditures or
2 commitments to expend monies, the fund has fallen below eight million dollars for
3 that storage operator.

4 * * *

5 §2050.22. Judicial review; appeal; stays; **intervention**

6 * * *

7 **C. A third person having an interest in the matter subject to review has**
8 **the right to intervene as a party in an action commenced pursuant to R.S.**
9 **30:2050.21 when the intervention is unlikely to unduly broaden the issues or to**
10 **unduly impede the resolution of the action. A "third person having an interest"**
11 **with the right to intervene under this Section shall include but not be limited to**
12 **any applicant, permittee, or party to the underlying administrative process,**
13 **action, or proceeding that resulted in the issuance of a final permit action, final**
14 **enforcement action, or a declaratory ruling that is the subject of the petition for**
15 **review. For avoidance of doubt, the provisions of this Subsection shall be given**
16 **prospective and retroactive application.**

17 Section 2. R.S. 36:356.1(D), 358(B), (E)(2), and (G) are hereby amended and
18 reenacted to read as follows:

19 §356.1. Louisiana Natural Resources Trust Authority; establishment; powers

20 * * *

21 D. The authority may request that the state treasurer invest funds, or any
22 portion thereof, under the control of the authority ~~in accordance with the provisions~~
23 ~~of R.S. 33:2955, including the use of the Louisiana Asset Management Pool~~ **in a**
24 **separate portfolio and any interest earned on investment of monies in the fund**
25 **shall be credited to the fund.**

26 * * *

27 §358. Offices; purposes and functions

28 * * *

29 B. ~~The office of the~~ executive office of the secretary shall be responsible for
30 assisting the secretary in the exercise of the functions and duties established in law

1 of the secretary. Among the divisions included within the executive office of the
2 secretary shall be the office of the natural resources commission to be headed by the
3 deputy secretary and the office of legal services to be headed by an attorney
4 designated by the secretary.

5 * * *

6 E. The office of state resources shall:

7 * * *

8 (2) Work in cooperation with the ~~Center for Energy Studies~~ **Institute** to
9 maintain current surface and subsurface geological surveys of the state, or otherwise
10 at the discretion of the secretary or his designee; conduct geological mapping;
11 prepare geological hazards assessments and resource inventories; and conduct
12 process investigations and related studies.

13 * * *

14 G. The office of energy shall organize, plan, supervise, direct, administer,
15 execute, and be responsible for the functions and programs relating to the
16 deployment and operation of alternative energy infrastructure in this state in a
17 manner that results in affordable and reliable energy. The office of energy shall also
18 work in cooperation with the ~~Center for Energy Studies~~ **Institute** to create and carry
19 out a central, comprehensive, and unified energy data and information program
20 which will collect, evaluate, assemble, analyze, and disseminate data and information
21 which is relevant to energy resource reserves, energy production, demand, and
22 technology, and related economic and statistical information, or which is relevant to
23 the adequacy of energy resources to meet demands in the near and longer term future
24 of the state. The office of energy shall work to provide the department and the
25 Natural Resources Commission with technical assistance and expertise in matters
26 related to energy and natural resources and shall also work to identify policy options
27 relative to energy related matters upon request. Finally, the office of energy shall
28 coordinate with academic and research institutions who possess specialized expertise
29 in areas related to energy and natural resources on behalf of the department.

30 * * *

1 Section 3. R.S. 49:214.35(B), (E), and (F) are hereby amended and reenacted and
2 R.S. 49:214.35(G) and 978.1(A)(3) are enacted to read as follows:

3 §214.35. Reconsiderations, judicial review

4 * * *

5 B. A decision or determination shall be subject to reconsideration by the
6 secretary if a petition for reconsideration is filed in writing with the secretary within
7 ten days following ~~public notice of a~~ **posting of the** final coastal use permit ~~or~~, local
8 program approval decision, **or determination made under R.S. 49:214.34 on the**
9 **official website for the Department of Conservation and Energy** or receipt of
10 written notice of a determination made under R.S. 49:214.30(C)(1) ~~or R.S.~~
11 ~~49:214.34~~. The grounds for reconsideration shall be ~~either that~~ **one of the following**:

12 (1) The decision or determination is clearly contrary to the law or the
13 evidence before the secretary;

14 (2) The petitioner has discovered, since the decision or determination,
15 evidence important to the issues which he could not, with due diligence, have
16 presented to the secretary prior to the decision;

17 (3) There is a showing that issues not previously considered, through no fault
18 of the petitioner, ought to be examined in order to properly dispose of the matter; ~~or~~.

19 (4) There exist other good grounds for further consideration of the issues and
20 the evidence in the public interest.

21 * * *

22 E. Proceedings for review may be instituted by filing a petition in the district
23 court of the parish in which the proposed use is to be situated within ~~thirty days after~~
24 ~~mailing of notice of the final decision by the secretary or, if a reconsideration is~~
25 ~~requested, within thirty days after the decision thereon.~~ **the following time periods:**

26 **(1) If a petition for reconsideration is not filed, the proceeding for review**
27 **shall be instituted within thirty days after the final decision by the secretary**
28 **under this Subpart is posted on the official website for the Department of**
29 **Conservation and Energy.**

30 **(2) If a petition for reconsideration is filed, the proceeding for review**

1 shall be instituted within thirty days after the decision regarding the
2 reconsideration is posted on the official website for the Department of
3 Conservation and Energy.

4 F. A third person having an interest in the matter subject to review has
5 the right to intervene as a party in an action for judicial review under this
6 Section when the intervention is unlikely to unduly broaden the issues or to
7 unduly impede the resolution of the action. A "third person having an interest"
8 with the right to intervene under this Section shall include but not be limited to
9 any applicant, permittee, or party to the underlying administrative process,
10 action, or proceeding that resulted in the issuance of the rule, regulation,
11 permit, decision, or determination that is the subject of the suit for review. For
12 avoidance of doubt, the provisions of this Subsection shall be given prospective
13 and retroactive application.

14 G. Judicial review shall otherwise be pursuant to the Louisiana
15 Administrative Procedure Act, provided that all such cases shall be tried with
16 preference and priority. ~~Trial de novo shall be held upon request of any party.~~

17 * * *

18 §978.1. Judicial review of adjudication

19 A. * * *

20 (3) A third person having an interest in the matter subject to review has
21 the right to intervene as a party in an action under this Section when the
22 intervention is unlikely to unduly broaden the issues or to unduly impede the
23 resolution of the action. A "third person having an interest" with the right to
24 intervene under this Section shall include but not be limited to any applicant,
25 permittee, or party to the underlying administrative process, action, or
26 proceeding that resulted in the issuance of the decision or order that is the
27 subject of the suit for review. For avoidance of doubt, the provisions of this
28 Paragraph shall be given prospective and retroactive application.

29 * * *

30 Section 4. R.S. 30:4(O)(3), 85, and 101.6 are hereby repealed.

1 Section 5. The Louisiana State Law Institute is hereby directed to change all
 2 references to the commissioner of conservation whose duties and powers were transferred
 3 to the secretary of the Department of Conservation and Energy pursuant to Act No. 458 of
 4 the 2025 Regular Session from "commissioner of conservation" to "secretary of the
 5 Department of Conservation and Energy" and "commissioner" to "secretary" throughout the
 6 Louisiana Revised Statutes of 1950.

7 Section 6. The Louisiana State Law Institute is hereby directed to change all
 8 references to the "office of mineral resources" to "office of state resources" throughout the
 9 Louisiana Revised Statutes of 1950 except in the provisions of R.S. 30:124.1.

10 Section 7. This Act shall become effective upon signature by the governor or, if not
 11 signed by the governor, upon expiration of the time for bills to become law without signature
 12 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 13 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 14 effective on the day following such approval.

 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____