## Stricken language would be deleted from and underlined language would be added to present law. Act 149 of the Regular Session

1	1 State of Arkansas	
2	2 95th General Assembly A Bill	
3	3 Regular Session, 2025 HOUS	SE BILL 1411
4	4	
5	5 By: Representative M. Shepherd	
6	6 By: Senator Stone	
7	7	
8	For An Act To Be Entitled	
9	AN ACT TO AMEND THE LAW CONCERNING THE OIL AND GAS	
10	COMMISSION; TO CLARIFY THE REGULATION OF CARBON	
11	CAPTURE AND SEQUESTRATION; TO ESTABLISH THE CARBON	
12	DIOXIDE STORAGE FUND; AND FOR OTHER PURPOSES.	
13	3	
14	4	
15	Subtitle Subtitle	
16	TO CLARIFY THE REGULATION OF CARBON	
17	7 CAPTURE AND SEQUESTRATION; AND TO	
18	8 ESTABLISH THE CARBON DIOXIDE STORAGE	
19	9 FUND.	
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21	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:	
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23	SECTION 1. Arkansas Code § 15-71-110, concerning the powers	and duties
24	of the Oil and Gas Commission, is amended to add an additional subs	ection to
25	5 read as follows:	
26	(g) The commission has the following specific powers and dut	<u>ies in</u>
27	administering the underground storage of carbon dioxide, the Underg	round
28	8 <u>Injection Control program regarding Class VI wells, and the Carbon</u>	<u>Dioxide</u>
29	9 <u>Storage Fund:</u>	
30	(1) To adopt rules to govern the underground storage o	<u>f carbon</u>
31	dioxide and to implement the Underground Injection Control program	regarding
32	2 Class VI wells, in accordance with applicable provisions of the Saf	<u>e Drinking</u>
33	Water Act, 42 U.S.C. §300f et seq., as it existed on January 1, 202	<u>5;</u>
34	(2) To require financial assurance conditioned on the	
35	performance of the duty to comply with all rules governing the unde	rground
36	6 storage of carbon dioxide and the Underground Injection Control pro	gram

1	regarding Class VI wells;
2	(3) To determine, after notice and hearing, when a project for
3	the underground storage of carbon dioxide is issued a Certificate of Closure
4	that shall not be less than ten (10) years after the cessation of carbon
5	dioxide injection operations;
6	(4) To collect the fees assessed by the commission under this
7	subchapter and make deposits into the Oil and Gas Commission Fund or the
8	Carbon Dioxide Storage Fund;
9	(5) To require the payment of a carbon dioxide storage permit
10	application fee not to exceed fifty thousand dollars (\$50,000) to be
11	deposited into the Oil and Gas Commission Fund;
12	(6) To require an annual well fee of one thousand dollars
13	(\$1,000) per Class VI injection well permitted in the carbon dioxide storage
14	facility to be deposited into the Oil and Gas Commission Fund; and
15	(7) To require a fee of ten cents (\$0.10) on each ton of carbon
16	dioxide injected for storage with funds to be deposited as follows:
17	(A) Three Cents (\$0.03) shall be paid into the Oil and Gas
18	Commission Fund; and
19	(B) Seven Cents (\$0.07) shall be paid into the Carbon
20	Dioxide Storage Fund to be utilized by the commission for:
21	(i) The testing, monitoring, and long-term
22	inspection of underground carbon dioxide storage wells;
23	(ii) Expenses incurred to remediate post-closure
24	<pre>emergencies;</pre>
25	(iii) The plugging of leaking wells; and
26	(iv) Other remedial response activities associated
27	with the carbon dioxide storage facility.
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29	SECTION 2. Arkansas Code § 19-6-301, concerning the enumeration of
30	special revenues, is amended to add an additional subdivision to read as
31	follows:
32	(276) Fees and revenue collected under § 15-71-110(g).
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34	SECTION 3. Arkansas Code Title 19, Chapter 6, Subchapter 8, is amended
35	to add an additional section to read as follows:
36	19-6-845 Carbon Dioxide Storage Fund

1	(a) There is created on the books of the Treasurer of State, the
2	Auditor of State, and the Chief Fiscal Officer of the State a special revenue
3	fund to be known as the "Carbon Dioxide Storage Fund".
4	(b)(1) The fund shall consist of:
5	(A) Fees assessed by the Oil and Gas Commission on each
6	ton of carbon dioxide injected for storage under § 15-71-110(g);
7	(B) Gifts or grants; and
8	(C) Any other revenue as may be authorized by law.
9	(2) All moneys collected under the fund shall be deposited into
10	the State Treasury to the credit of the fund as special revenues.
11	(c)(1) The fund shall be used by the commission to:
12	(A) Make expenditures through contracts to plug abandoned
13	Class VI wells, to monitor wells, and to remediate associated production
14	<u>facilities</u> ;
15	(B) Make expenditures for emergency repairs to Class VI
16	wells, monitoring wells, or production facilities remaining after post
17	closure which are endangering the public health and safety;
18	(C) Make expenditures for testing, monitoring, and long-
19	term inspection of underground carbon dioxide storage wells and facilities
20	after post closure; and
21	(D) Following the issuance of a Certificate of Closure and
22	release of all financial assurance instruments, cover costs associated with
23	the leakage of carbon dioxide from underground carbon dioxide storage
24	facilities or any other operations and activities deemed necessary by the
25	commission to protect underground sources of drinking water and for public
26	health and safety.
27	(2) Expenditures from the fund may be authorized by the
28	commission through contracts or direct payments.
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31	APPROVED: 2/25/25
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