

NRSC-5-2024: OFFICE OF LAND AND WATER

The Office of Land and Water working group reviewed how best to structure the newly created office of Land and Water. The working group recommended moving all energy-related state lands functions to DENR as well as considering how to cooperate with other agencies to manage all state-owned minerals. The working group also testified that DENR's audit capability is lacking with respect to minerals management, causing lost revenue. During the NRSC meeting and in written reports, the Land & Water working group repeatedly stated that the Office of Land & Water, created in the 2024 regular session, likely has expanded its mission beyond simple management of land and water.

Therefore, there is likely a need to take those functions envisioned to be in the office of Land & Water and create an office which encompasses management of all statewide resources used in energy. For the purposes of this report the office will be termed "State Resoucres". The NRSC recommends that the Office of Land and Water be renamed to better reflect its purpose using an intuitive term of art for all statewide resources used in energy(water, land, minerals). The Office of State Resources would oversee state lands, energy and commercial related management, minerals & energy leasing/agreements, and statewide water management as to quantity. Statewide water management will be phased in over time, as rulemaking authority will be necessary. Statewide water management includes both surface and ground water and will likely require a strategic planning process. The NRSC recommends that DENR consider how to utilize current structure to effectively manage statewide groundwater and surface water as to quantity in the interim.

The NRSC recommends that DENR staff consider if an existing body, such as the Water Resources Commission, could be utilized to assist in creating a statewide water management regime. The royalty management for the State, currently housed in Mineral Resources, likely also should be included in the proposed Office of State Resources. Further, a proposed commercial resources division could house those functions at the office of state lands, which have already been transferred to the office of Land & Water and should continue into State Resources. The NRSC therefore, recommends that a broader office be established to manage the quantity of Louisiana's natural resources as described above. As a preliminary recommendation, an Office of State Resources be housed within DENR incorporating state lands, energy and commercial related lands management, minerals & energy leasing/agreements, and statewide management of surface and groundwater as to quantity.