

Representative Jack McFarland
Chairman



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Vice Chairman

Fiscal Year 2026 Executive Budget Review

ENERGY & NATURAL RESOURCES

House Committee on Appropriations
House Fiscal Division

April 1, 2025

Budget Analyst: Paige Philyaw

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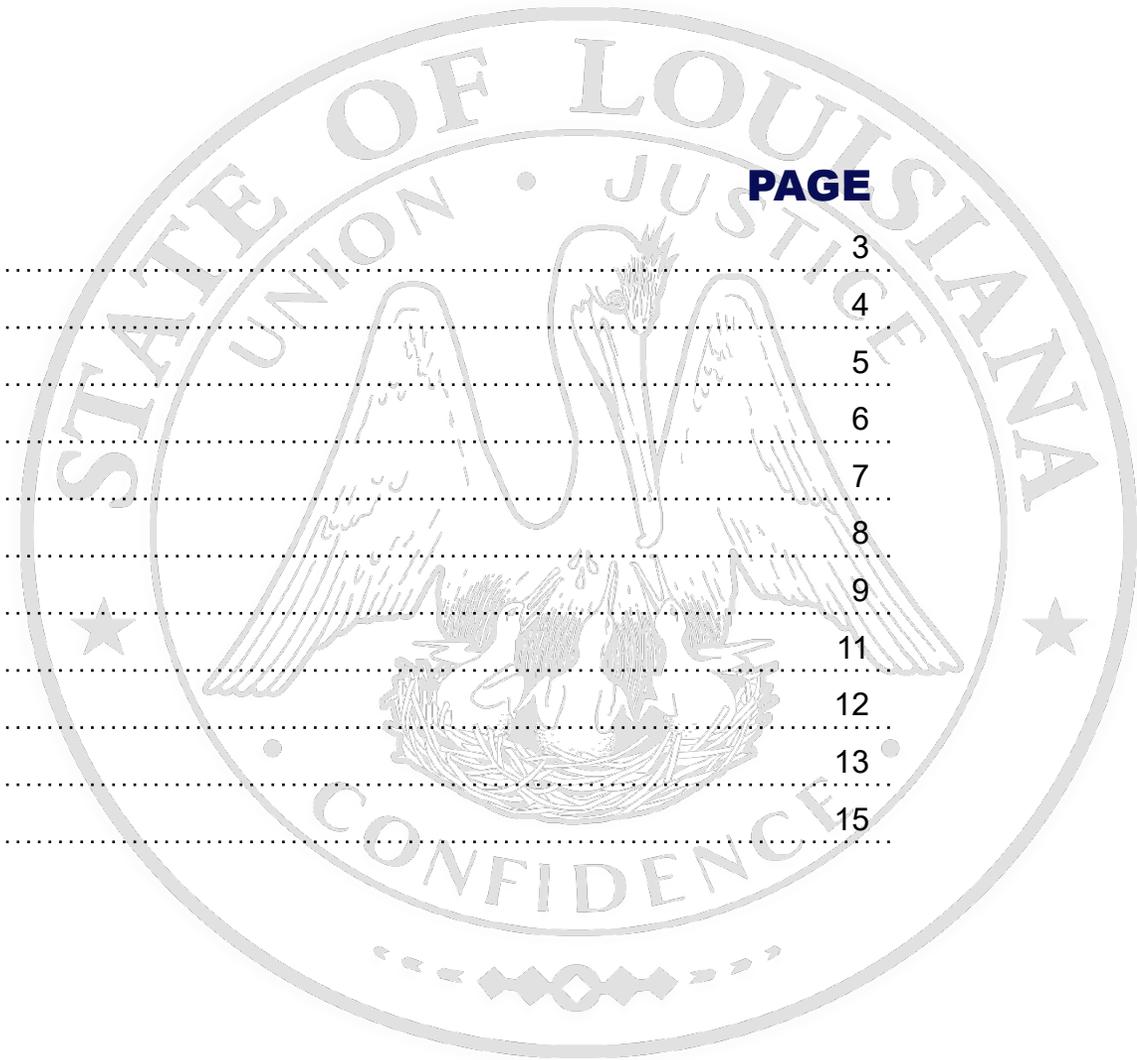
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Baton Rouge, LA 70802
house.louisiana.gov/housefiscal/

All data and figures were obtained from the governor's Fiscal Year 2025-2026 Executive Budget and Supporting Documents provided by the Office of Planning and Budget within the Division of Administration along with House Bill 1 of the 2025 Regular Session, unless otherwise noted.

<https://www.doa.la.gov/doa/opb/budget-documents/>

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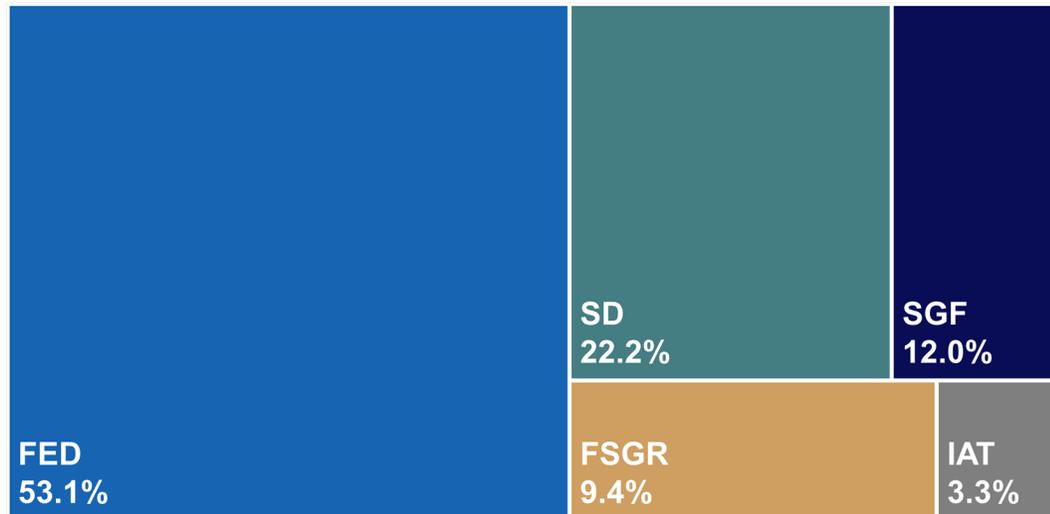
DEPARTMENT ORGANIZATION



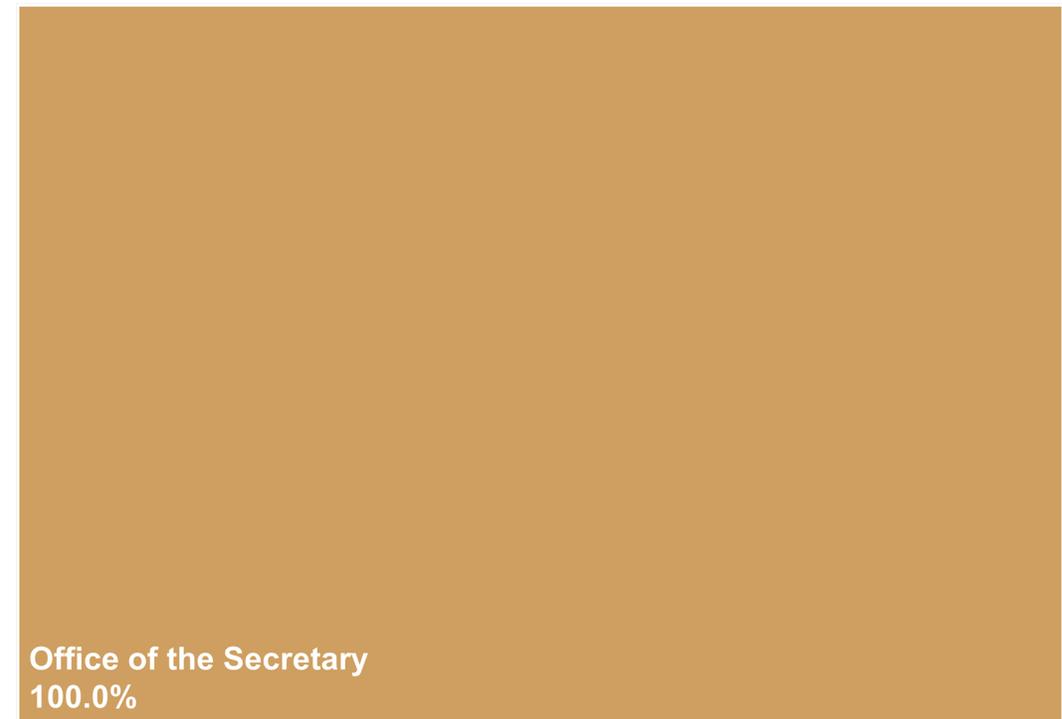
FY 26 BUDGET RECOMMENDATION

Total Funding = \$217,623,934

Means of Finance		
State General Fund	\$	26,190,117
Interagency Transfers		7,247,855
Fees & Self-generated		20,462,314
Statutory Dedications		48,256,421
Federal Funds		115,467,227
Total	\$	217,623,934



Program Funding & Authorized Positions			
		<i>Amount</i>	<i>Positions</i>
Office of the Secretary	\$	217,623,934	364
Total	\$	217,623,934	364

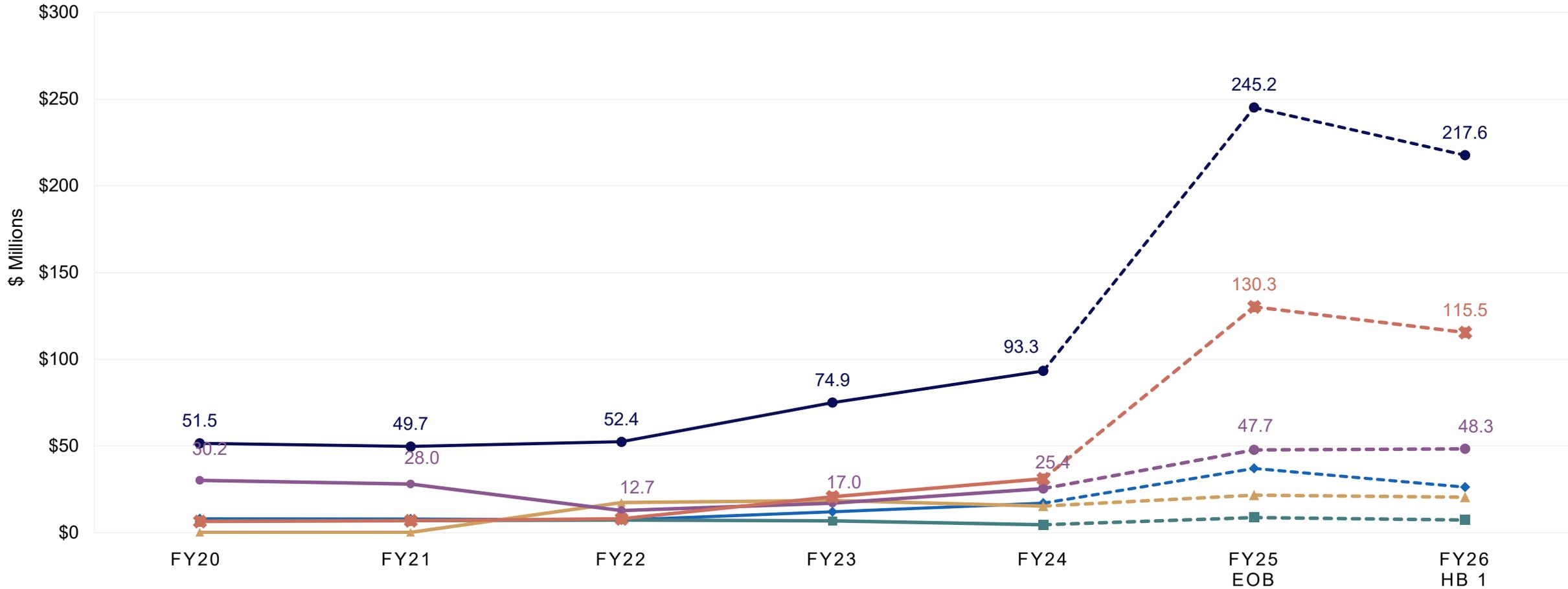


HISTORICAL SPENDING

◆ State General Fund
■ Interagency Transfers
▲ Fees & Self-generated
● Statutory Dedications
✱ Federal Funds
● Total Budget

Annual Average Spending Change from FY 20 to 24:

15.1%	26.1%	42.9%	(1.8%)	29.9%	12.3%
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SOURCES OF FUNDING

State General Fund \$26.2 M	Interagency Transfers \$7.2 M	Self-generated Revenue \$20.5 M	Statutory Dedications \$48.3 M	Federal Funds \$115.5M
<p>The chief operating fund of the State recognized by the Revenue Estimating Conference from various taxes, licenses, fees, and other revenue sources except for those identified as other means of financing</p>	<p>Funding is derived from the following transfers:</p> <ul style="list-style-type: none"> • \$3.8 M from the Division of Administration • \$2.8 M from the Coastal Protection and Restoration Authority • \$578,449 from Wildlife & Fisheries 	<p>Revenues derived from the following sources:</p> <ul style="list-style-type: none"> • \$15.1 M from Oil & Gas Regulatory Dedicated Fund Account • \$4.2 M from Coastal Resources Trust Dedicated Fund Account • \$982,000 from the Underwater Obstruction Removal Dedicated Fund Account • \$212,011 from the sale of data, insurance recovery, and from interest revenues received from energy efficiency loans through the Home Energy Loan Program 	<p>Funding is derived from the following funds:</p> <ul style="list-style-type: none"> • \$28 M from the Oilfield Site Restoration Fund • \$7.7 M from the Oil Spill Contingency Fund • \$7.6 M from the Mineral and Energy Operation Fund • \$2.8 M from the Carbon Dioxide Geologic Storage Trust Fund • \$2.2 M from the Natural Resources Restoration Trust Fund 	<p>Federal funding derived from the following:</p> <ul style="list-style-type: none"> • \$75.4 M from U.S. Department of Energy • \$35 M from the Infrastructure Investment & Jobs Act Grants • \$2.4 M from the National Oceanic and Atmospheric Administration • \$1.4 M from U.S. Department of Transportation • \$1.2 M from U.S. Department of the Interior

FUNDING COMPARISON

Means of Finance	FY 24 Actual Expenditures	FY 25 Existing Operating Budget 12/1/24	FY 26 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
SGF	\$ 16,990,877	\$ 37,056,411	\$ 26,190,117	\$ (10,866,294)	(29.3%)	\$ 9,199,240	54.1%
IAT	4,480,794	8,632,737	7,247,855	(1,384,882)	(16.0%)	2,767,061	61.8%
FSGR	15,276,814	21,538,537	20,462,314	(1,076,223)	(5.0%)	5,185,500	33.9%
Stat Ded	25,412,186	47,738,799	48,256,421	517,622	1.1%	22,844,235	89.9%
Federal	31,122,554	130,270,164	115,467,227	(14,802,937)	(11.4%)	84,344,673	271.0%
Total	\$ 93,283,225	\$ 245,236,648	\$ 217,623,934	\$ (27,612,714)	(11.3%)	\$ 124,340,709	133.3%

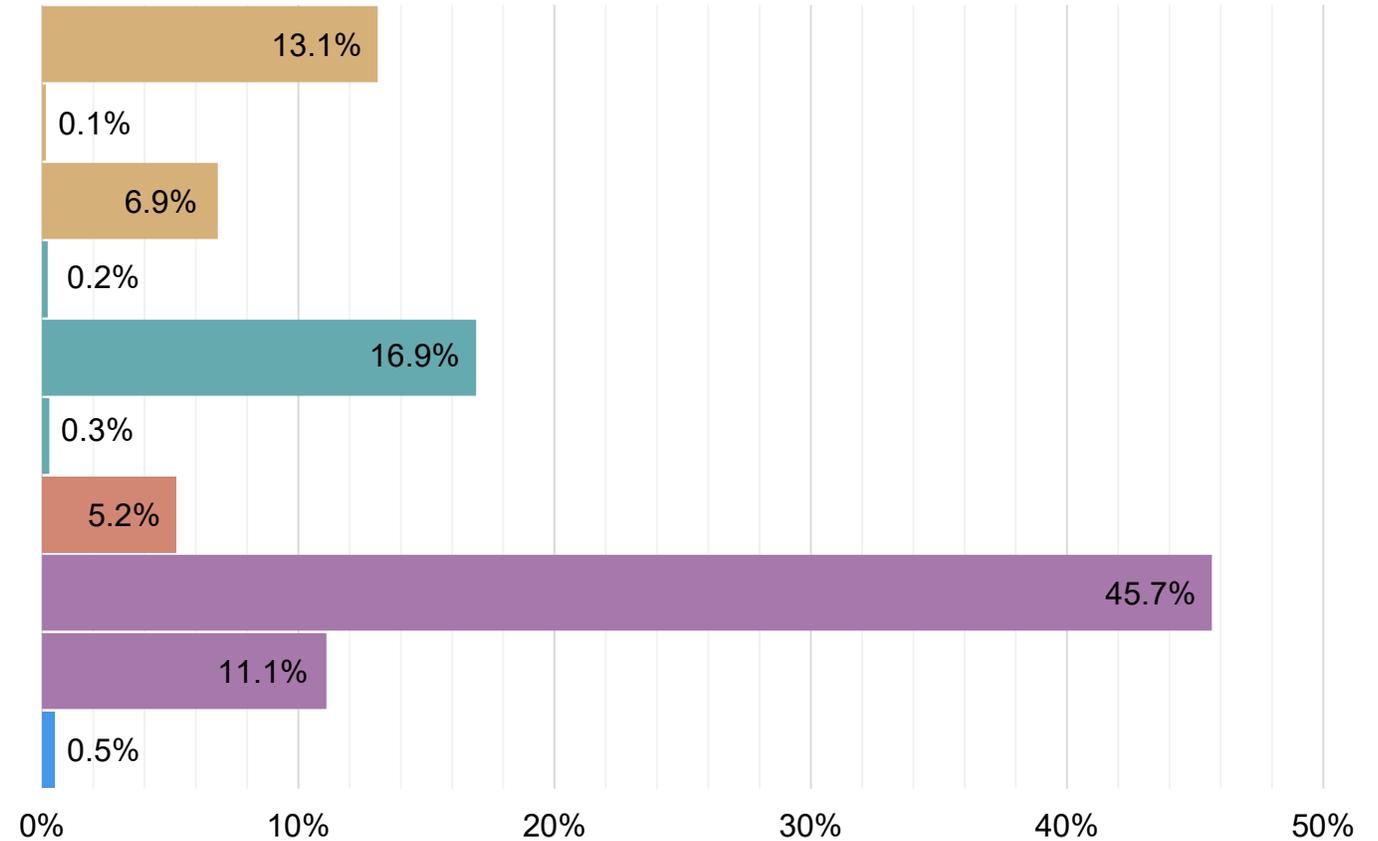
Significant funding changes compared to the FY 25 Existing Operating Budget

State General Fund	Interagency Transfers	Fees & Self-generated	Federal Funds
<p>(\$10.9 M) decrease primarily due to:</p> <ul style="list-style-type: none"> (\$10 M) for the removal of funding carried into FY 25 that is no longer needed in FY 26 (\$1.1 M) reduction in the Office of the Secretary \$793,191 for various standard statewide adjustments 	<p>(\$1.4 M) decrease due to:</p> <ul style="list-style-type: none"> (\$2 M) for the consolidation of offices \$323,065 for various standard statewide adjustments \$292,053 from the Office of State Lands 	<p>(\$1.1 M) net decrease due to:</p> <ul style="list-style-type: none"> (\$1.5 M) for the removal of funding carried into FY 25 that is no longer needed in FY 26 \$449,367 for various standard statewide adjustments \$6,850 to the Office of the Secretary out of the Oil & Gas Regulatory Dedicated Fund Account 	<p>(\$14.8 M) net decrease due to:</p> <ul style="list-style-type: none"> (\$15 M) decrease from the Infrastructure Investment and Jobs Act Grants \$150,403 for various standard statewide adjustments

FY 26 EXPENDITURE RECOMMENDATION

Total Budget = \$217,623,934

Expenditure Category		
Salaries	\$	28,515,314
Other Compensation		316,424
Related Benefits		14,934,801
Travel		485,554
Operating Services		36,866,058
Supplies		615,276
Professional Services		11,388,574
Other Charges		99,349,481
Interagency Transfers		24,138,528
Acquisitions/Repairs		1,013,924
Total	\$	217,623,934



EXPENDITURE COMPARISON

Expenditure Category	FY 24 Actual Expenditures	FY 25 Existing Operating Budget 12/1/24	FY 26 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
Salaries	\$ 21,929,272	\$ 26,607,818	\$ 28,515,314	\$ 1,907,496	7.2%	\$ 6,586,042	30.0%
Other Compensation	277,542	316,424	316,424	0	0.0%	38,882	14.0%
Related Benefits	14,005,111	14,857,242	14,934,801	77,559	0.5%	929,690	6.6%
Travel	436,469	524,061	485,554	(38,507)	(7.3%)	49,085	11.2%
Operating Services	44,199,442	39,216,339	36,866,058	(2,350,281)	(6.0%)	(7,333,384)	(16.6%)
Supplies	342,077	645,419	615,276	(30,143)	(4.7%)	273,199	79.9%
Professional Services	3,174,274	23,754,996	11,388,574	(12,366,422)	(52.1%)	8,214,300	258.8%
Other Charges	2,167,968	112,462,660	99,349,481	(13,113,179)	(11.7%)	97,181,513	4,482.6%
Interagency Transfers	6,337,340	25,327,868	24,138,528	(1,189,340)	(4.7%)	17,801,188	280.9%
Acquisitions/Repairs	413,729	1,523,821	1,013,924	(509,897)	(33.5%)	600,195	145.1%
Total	\$ 93,283,224	\$ 245,236,648	\$ 217,623,934	\$ (27,612,714)	(11.3%)	\$ 124,340,710	133.3%

SIGNIFICANT EXPENDITURE CHANGES

Compared to the FY 25 Existing Operating Budget

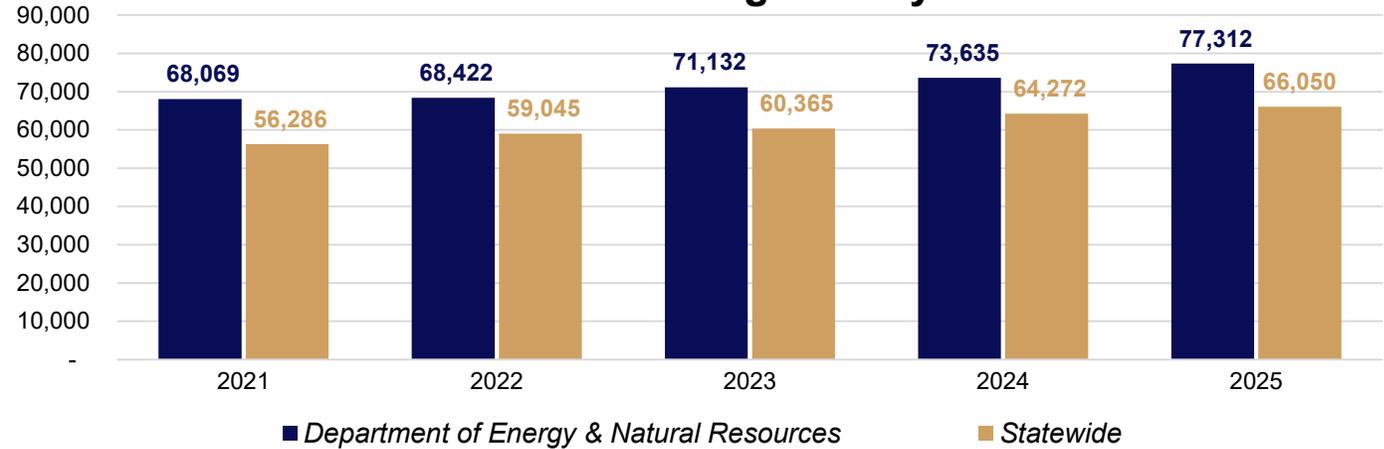
Personnel Services	Professional Services	Other Charges	Acquisitions/Repairs
<p>\$2 M net increase due to items such as:</p> <ul style="list-style-type: none"> \$1.7 M for standard statewide adjustments to salaries including attrition, benefits, and retirement changes \$292,053 to transfer three (3) authorized positions from the Office of State Lands 	<p>(\$12.4 M) decrease due to:</p> <ul style="list-style-type: none"> (\$6.3 M) to remove one-time funding to mitigate a salt cavern collapse (\$3.2 M) to remove one-time funding for professional services needed for the offshore wind roadmap project (\$2.8 M) reduction due to delay in receiving federal funds (\$106,937) reduction due to consolidation of offices 	<p>(\$13.1 M) decrease due to items such as:</p> <ul style="list-style-type: none"> (\$10 M) reduction due to delay in receiving federal funds (\$1.6 M) reduction due to consolidation of offices (\$1.4 M) to remove funding for other charges budgeted in FY 25 that are no longer needed in FY 26 for the gulf shoreline stabilization funding (\$1.1 M) reduction due to less reliance on private consultants (\$600,000) from shifting means of financing for the Carbon Dioxide Geologic Trust Fund due to an increase in collections 	<p>(\$509,897) net decrease due to items such as:</p> <ul style="list-style-type: none"> \$1.1 M for replacement equipment needed in FY 26 for items such as vehicles, drones, and meter gauge replacements (\$833,048) to remove funding for acquisitions and major repairs budgeted in FY 25 for vehicles, boats and GPS unit purchases (\$690,773) to remove funding carried into FY25 for technology upgrades and vehicles

PERSONNEL INFORMATION

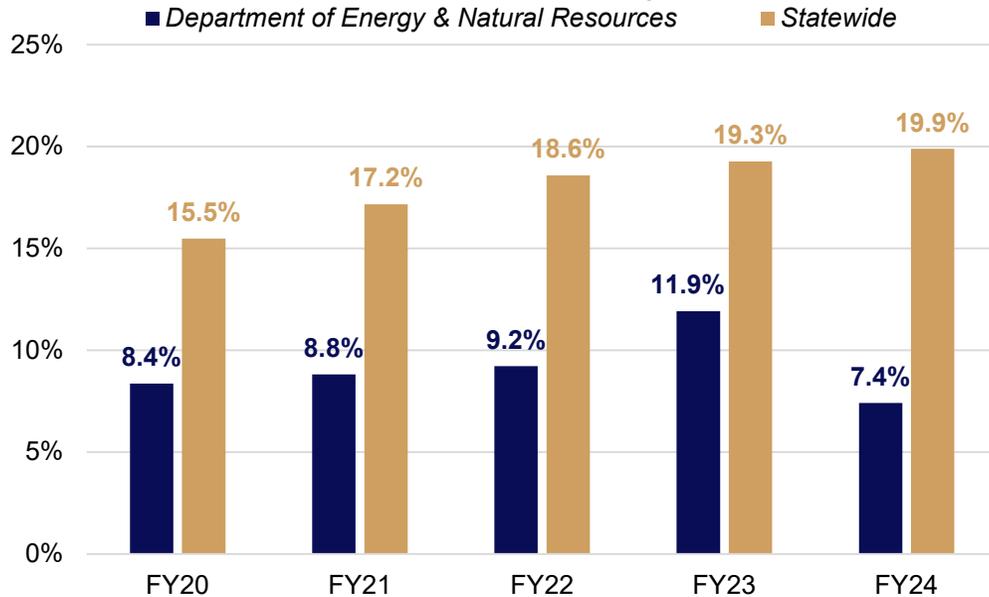
FY 2026 Recommended Positions

364	Total Authorized T.O. Positions (353 Classified, 11 Unclassified)
0	Authorized Other Charges Positions
0	Non-T.O. FTE Positions
37	Vacant Positions (December 30, 2024)

Historical Average Salary



Turnover History



Top Positions Vacated FY 2024

Position	Number of Employees	Separations	Turnover Rate
Petroleum Scientist III	29	2	6.9%
Budget Analyst IV	1	2	200%
Administrative Program Specialist A	3	2	66.7%
Conservation Enforcement Specialist III	41	2	4.9%
Mineral Production Manager	1	1	100%

Source: Department of Civil Service

DEPARTMENT CONTACTS



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Mark Normand
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General Department Information



Executive Program

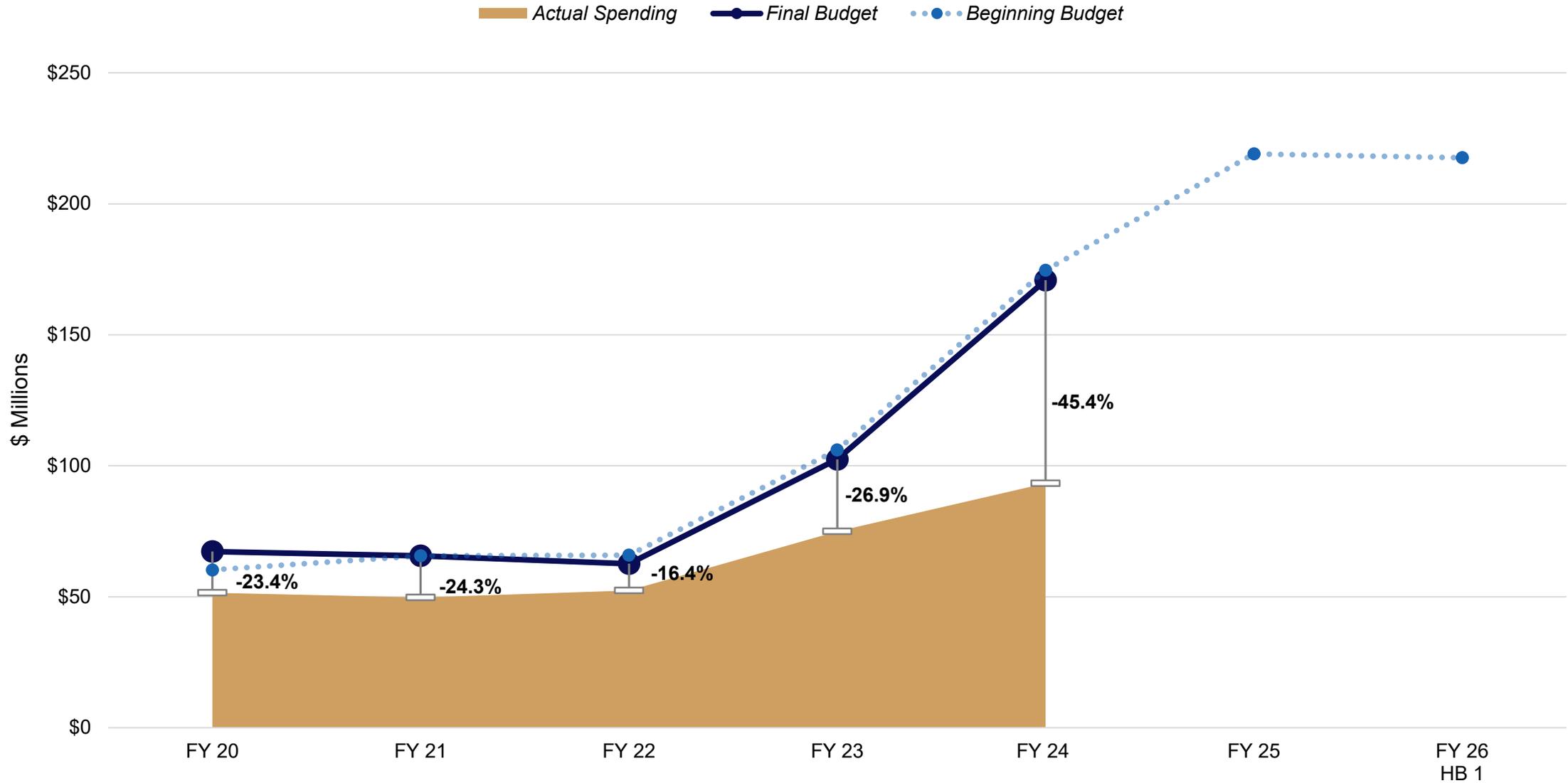
- Evaluate cost effective mineral royalties collections and disbursements facilitated by the State Mineral & Energy Board
- Ensuring coastal activities such as state-owned lands and water bottoms provide an efficient and secure return on investment for Louisiana
- To explore for further development and production of minerals, oil, gas or alternative energy sources on state owned land and water bottoms
- Promote efficient use of natural resources and energy
- Analyzes subjects and issues related to energy and natural resources
- Publish data on Louisiana energy development and production
- Forecast state oil and gas production, depletion and revenue, including long and short term reserves
- To explore for further development and production of minerals, oil, gas or alternative energy sources on state owned land and water bottoms



The seal of the State of Louisiana is visible in the background, featuring a pelican feeding its young in a nest, surrounded by the text "STATE OF LOUISIANA", "UNION • JUSTICE", and "CONFIDENCE".

General Budgetary Information

HISTORICAL BUDGET



FY 25 EXISTING OPERATING BUDGET

The FY 2024-25 Existing Operating Budget (EOB) was frozen on December 1, 2024. This point-in-time reference is used in both the Executive Budget and the General Appropriations Bill.

Means of Finance	Appropriation	Mid-Year Adjustments	Existing Operating Budget
General Fund	\$ 27,096,926	\$ 9,959,485	\$ 37,056,411
Interagency Transfers	8,632,737	0	8,632,737
Self-generated Revenue	20,006,097	1,532,440	21,538,537
Statutory Dedications	47,738,799	0	47,738,799
Federal	130,087,430	182,734	130,270,164
Total	\$ 233,561,989	\$ 11,674,659	\$ 245,236,648

Mid-year Adjustments Summary				
July	August	September	October	November
No change	\$11.7 M Various means of finance carried into FY 25 from the prior fiscal year for program expenses and contracts	No change	No change	No change

OTHER CHARGES / INTERAGENCY TRANSFERS

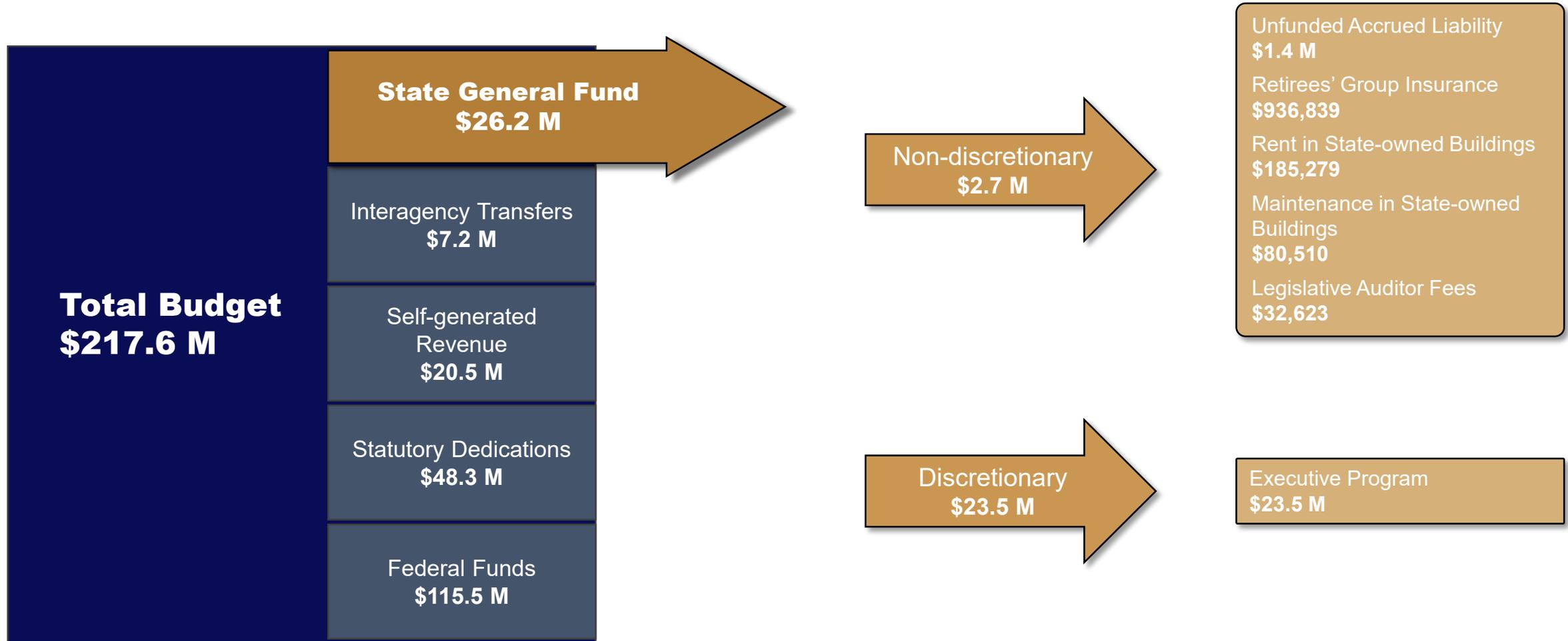
Other Charges

Amount	Description
\$ 37,111,976	IIJA grants
22,415,802	Louisiana Hub for Energy Resilience Operations (HERO)
20,537,006	Solar For All
9,000,000	Home Efficiency Rebates (HER) program
9,000,000	Home Electrification and Appliance Rebates (HEAR)
575,087	Other professional services
421,710	Fisherman's Gear (Claims)
264,900	FES - Warner Projects
23,000	Legal Services
\$ 99,349,481	Total Other Charges

Interagency Transfers

Amount	Description
\$ 15,999,306	Office of Technology Services (OTS) Fees
2,600,000	Strategic Online Natural Resources Information System (SONRIS) Upgrade
2,338,488	Coastal Protection and Restoration Authority
1,203,340	Rent in State-owned Buildings
561,299	Office of the Secretary
363,304	Office of Risk Management (ORM) Premiums
273,299	Security Fees
199,412	DOTD - Topographical Mapping
175,466	Legislative Auditor Fees
165,516	Civil Service Fees
130,000	DOJ - Attorney General
90,492	Division of Administration
18,051	Uniform Payroll System (UPS) Fees
13,480	Administrative Law Judges Fees
6,332	Office of State Procurement (OSP) Fees
743	State Treasury Fees
\$ 24,138,528	Total Interagency Transfers

DISCRETIONARY EXPENSES



* Figures may not add precisely due to rounding *