

# HR288 INTRODUCED



1 HR288  
2 CX1KCQQ-1  
3 By Representative Whitt  
4 RFD: Rules  
5 First Read: 31-Mar-26



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HR\_\_\_\_\_ ESTABLISHING THE STUDY COMMISSION ON CARBON DIOXIDE STORAGE FACILITY FEES.

WHEREAS, the United States Environmental Protection Agency (EPA) regulates the injection of carbon dioxide into underground wells to prevent the endangering of underground sources of drinking water; and

WHEREAS, under this federal regulatory scheme, states may gain the primary enforcement responsibility for these regulations upon adopting an underground injection control program that satisfies the EPA's minimum requirements; and

WHEREAS, the Legislature passed Act 2024-325 during the 2024 Regular Session which provided certain regulatory requirements for storing carbon dioxide in underground storage facilities in the state, including authorizing the State Oil and Gas Board to levy fees on carbon dioxide injected for storage; and

WHEREAS, there are multiple considerations that must be accounted for when siting these facilities in this state, including Alabama's uniquely appropriate geology to accommodate carbon dioxide injection wells, the economic benefit to the state, the public's consensus, the potential risks of these facilities, and the increasing number of other states beginning to accommodate these wells; and

WHEREAS, it is accordingly imperative that an



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29 appropriate balance be achieved among the state maintaining  
30 its position at the forefront of these states competing for  
31 these storage wells, protecting the state's aesthetic and  
32 natural resources, including potable water sources, and the  
33 state receiving the compensation due for the use of its  
34 geology; now therefore,

35 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE  
36 LEGISLATURE OF ALABAMA, That the Study Commission on Carbon  
37 Dioxide Storage Facility Fees is established to ensure this  
38 multitude of factors is considered and an appropriate  
39 balance is reached.

40 (a) The study commission shall consist of the  
41 following members:

42 (1) One member of the Alabama House of  
43 Representatives, appointed by the Speaker of the House of  
44 Representatives, to serve as chair.

45 (2) One member of the Alabama Senate, appointed by  
46 the President Pro Tempore of the Senate, to serve as vice  
47 chair.

48 (3) One member appointed by the Minority Leader of  
49 the House of Representatives.

50 (4) One member appointed by the Minority Leader of  
51 the Senate.

52 (5) One member appointed by the Governor.

53 (6) One member appointed by the Lieutenant Governor.

54 (7) The State Oil and Gas Supervisor, or his or her  
55 designee.



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56 (8) One member appointed by the Energy Institute of  
57 Alabama.

58 (9) One member appointed by Manufacture Alabama.

59 (10) One member appointed by the American Petroleum  
60 Institute.

61 (11) One member appointed by the Southeast Oil and  
62 Gas Association.

63 (12) One member appointed by the Southern States  
64 Energy Board.

65 (13) The Commissioner of Conservation and Natural  
66 Resources, or his or her designee.

67 (b) The appointing authorities shall coordinate their  
68 appointments to assure the study commission membership is  
69 inclusive and reflects the racial, gender, geographic,  
70 urban, rural, and economic diversity of the state.

71 (c) The initial meeting of the study commission shall  
72 be held at the call of the chair no later than July 1, 2026.  
73 The study commission may then meet as necessary to conduct  
74 business.

75 (d) The study commission shall assess all of the  
76 following matters:

77 (1) The current practices and laws of other states  
78 regarding assessing fees on storage facilities used for  
79 carbon dioxide storage.

80 (2) The level at which fees become barriers to  
81 entering the market and place the state at a competitive  
82 disadvantage compared to other states, considering the  
83 state's unique geology.



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84           (3) The level at which fees facilitate the protection  
85 and maintenance of natural resources potentially affected by  
86 such storage facilities.

87           (e) The study commission shall prepare and submit a  
88 comprehensive report of its findings, conclusions, and  
89 recommendations for proposed legislation, if any, to the  
90 Legislature not later than November 1, 2026, at which point  
91 the study commission shall stand dissolved.

92           (f) (1) The legislative members of the study  
93 commission shall be entitled to their legislative  
94 compensation, per diem, and travel expenses for each day  
95 they attend a meeting of the study commission pursuant to  
96 Section 49 of the Constitution of Alabama of 2022.

97           (2) The nonlegislative members of the study  
98 commission shall serve without compensation but may be  
99 reimbursed for necessary expenses in attending meetings of  
100 the study commission pursuant to the policies of their  
101 respective appointing authority.

102           (g) Pursuant to Section 36-14-17.1, Code of Alabama  
103 1975, the study commission shall provide to the Secretary of  
104 State a notice of all meetings, the name of each member  
105 serving on the study commission, and a copy of the final  
106 report and any other documents produced by the study  
107 commission throughout its duration.