

First Extraordinary Session, 2005

SENATE BILL NO. 27

BY SENATOR DUPRE

FUNDS/FUNDING. Constitutional amendment to change name of Wetlands Conservation and Restoration Fund to Coastal Protection and Restoration Fund, and provide that certain federal revenues received by the state generated from Outer Continental Shelf oil and gas activity shall be credited to the fund and used only for certain purposes.

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A JOINT RESOLUTION

Proposing to amend Article VII, Section 10.2 of the Constitution of Louisiana, relative to the Wetlands Conservation and Restoration Fund; to change the name of the fund to the Coastal Protection and Restoration Fund; to provide relative to deposits and uses of the fund; to provide relative to certain federal revenues received by the state generated from Outer Continental Shelf oil and gas activity; to provide for the depositing and crediting of such monies into the fund, and for the uses of such federal revenues; and to specify an election for submission of the proposition to electors and provide a ballot proposition.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 10.2 of the Constitution of Louisiana, to read as follows:

§10.2. ~~Wetlands Conservation and Restoration~~ **Coastal Protection and Restoration** Fund

Section 10.2(A) Effective July 1, 1990, there shall be established in the state treasury the ~~Wetlands Conservation and Restoration~~ **Coastal Protection and**

1 **Restoration** Fund to provide a dedicated, recurring source of revenues for the
2 development and implementation of a program to ~~conserve and restore Louisiana's~~
3 ~~vegetated wetlands.~~ **protect and restore Louisiana's coastal area.**

4 Of revenues received in each fiscal year by the state as a result of the
5 production of or exploration for minerals, hereinafter referred to as mineral revenues
6 from severance taxes, royalty payments, bonus payments, or rentals, and excluding
7 such revenues received by the state as a result of grants or donations when the terms
8 or conditions thereof require otherwise, the treasurer shall make the following
9 allocations:

10 (1) To the Bond Security and Redemption Fund as provided in Article VII,
11 Section 9(B) of this constitution.

12 (2) To the political subdivisions of the state as provided in Article VII,
13 Sections 4(D) and (E) of this constitution.

14 (3) As provided by the requirements of Article VII, Sections 10-A and 10.1
15 of this constitution.

16 (B)(1) After making the allocations provided for in Paragraph (A), the
17 treasurer shall then deposit in and credit to the ~~Wetlands Conservation and~~
18 **Restoration Coastal Protection and Restoration** Fund any amount of mineral
19 revenues that may be necessary to insure that a total of five million dollars is
20 deposited into such fund for the fiscal year from this source; provided that the
21 balance of the fund which consists of mineral revenues from severance taxes, royalty
22 payments, bonus payments, or rentals shall not exceed an amount provided by law,
23 but in no event shall the amount provided by law be less than five hundred million
24 dollars.

25 (2) After making the allocations and deposits provided for in Paragraphs (A)
26 and (B)(1) of this Section, the treasurer shall deposit in and credit to the ~~Wetlands~~
27 ~~Conservation and Restoration~~ **Coastal Protection and Restoration** Fund as follows:

28 (a) Ten million dollars of the mineral revenues in excess of six hundred
29 million dollars which remain after the allocations provided for in Paragraph (A) are

1 made by the treasurer.

2 (b) Ten million dollars of the mineral revenues in excess of six hundred fifty
3 million dollars which remain after the allocations provided in Paragraph (A) are
4 made by the treasurer.

5 However, the balance of the fund which consists of mineral revenues from
6 severance taxes, royalty payments, bonus payments, or rentals shall not exceed an
7 amount provided by law, but in no event shall the amount provided by law be less
8 than five hundred million dollars.

9 (C) The money in the fund shall be invested as provided by law and any
10 earnings realized on investment of money in the fund shall be deposited in and
11 credited to the fund. Money from other sources, such as donations, appropriations,
12 or dedications, may be deposited in and credited to the fund; however, the balance
13 of the fund which consists of mineral revenues from severance taxes, royalty
14 payments, bonus payments, or rentals shall not exceed an amount provided by law,
15 but in no event shall the amount provided by law be less than five hundred million
16 dollars. Any unexpended money remaining in the fund at the end of the fiscal year
17 shall be retained in the fund.

18 (D) The money in the fund may be appropriated for purposes consistent with
19 the ~~Wetlands Conservation and Restoration Plan developed by the Wetlands~~
20 ~~Conservation and Restoration Authority~~ **Coastal Protection Plan developed by the**
21 **Coastal Protection and Restoration Authority**, or its successor.

22 No appropriation shall be made from the fund inconsistent with the purposes
23 of the plan.

24 **(E)(1) Subject to Article VII, Sections 9(B) and 10.1 of this constitution,**
25 **in each fiscal year, the federal revenues that are received by the state generated**
26 **from Outer Continental Shelf oil and gas activity and eligible, as provided by**
27 **federal law, to be used for the purposes of this Paragraph shall be deposited and**
28 **credited by the treasurer to the Coastal Protection and Restoration Fund.**

29 **(2) Federal revenues credited to the Coastal Protection and Restoration**

1 **Fund pursuant to this Paragraph shall be used only for the purposes of coastal**
 2 **wetlands conservation, coastal restoration, hurricane protection, and**
 3 **infrastructure directly impacted by coastal wetland losses.**

4 Section 2. Be it further resolved that Act No. 513 of the 2005 Regular Session is
 5 hereby repealed, the amendment to the constitution proposed in such Act is hereby
 6 withdrawn, and the secretary of state is hereby ordered not to include the proposition
 7 contained in that Act on the ballot for the next statewide election.

8 Section 3. Be it further resolved that this proposed amendment shall be submitted
 9 to the electors of the state of Louisiana at the next statewide election.

10 Section 4. Be it further resolved that on the official ballot to be used at said election
 11 there shall be printed a proposition, upon which the electors of the state shall be permitted
 12 to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
 13 read as follows:

14 To change the name from the Wetlands Conservation and Restoration Fund
 15 to the Coastal Protection and Restoration Fund; to provide relative to
 16 deposits and uses of the fund and that in each fiscal year after making other
 17 deposits required by the constitution, the eligible federal revenues received
 18 by the state generated from Outer Continental Shelf oil and gas activity shall
 19 be credited by the treasurer to the Coastal Protection and Restoration Fund
 20 and used only for purposes of coastal wetlands conservation, coastal
 21 restoration, hurricane protection, and infrastructure directly impacted by
 22 coastal wetland losses. (Amends Article VII, Section 10.2)

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Jerry G. Jones.

DIGEST

Proposed constitutional amendment changes name of the Wetlands Conservation and
 Restoration Fund to the Coastal Protection and Restoration Fund.

Proposed constitutional amendment relative to coastal protection and restoration provides
 that, subject to "8g" and Bond Security and Redemption Fund requirements, federal revenues
 received by the state generated from Outer Continental Shelf oil and gas activity and
 eligible, as provided by federal law, to be used for the purposes of the proposed law shall be
 deposited and credited by the treasurer to the Coastal Protection and Restoration Fund.

Proposed constitutional amendment further provides that such federal revenues credited to the fund shall be used only for the purposes of coastal wetlands conservation, coastal restoration, hurricane protection, and infrastructure directly impacted by coastal wetland losses.

Specifies submission of amendment to the voters at the next statewide election.

Further specifies that Act No. 513 of the 2005 Regular Session (previously proposed constitutional amendment) is repealed, the amendment to the constitution proposed in such Act is withdrawn, and the secretary of state is ordered not to include the proposition contained in that Act on the ballot for the next statewide election.

(Amends Art. VII, Sec. 10.2)