

**LEGISLATIVE FISCAL OFFICE**

**Fiscal Note**



Fiscal Note On: **SB 27** SLS 051ES 89

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Sub. Bill For.:

Proposed Amd.:

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| <b>Date:</b> November 29, 2005 9:34 AM                 | <b>Author:</b> DUPRE                   |
| <b>Dept./Agy.:</b> Natural Resources                   | <b>Analyst:</b> Stephanie C. Blanchard |
| <b>Subject:</b> Wetlands Conservation Restoration Fund |  |

FUNDS/FUNDING

EN SEE FISC NOTE FF RV See Note

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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 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. Further provides that such federal revenues credited to the fund shall be used only for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly impacted by coastal wetland losses. Provides that the fund balance limitations in the LA Constitution that require the balance amount not to exceed an amount provided by law, and be not less than \$500 million, this limitation does not apply to Outer Continental Shelf oil and gas revenues deposited to this fund. Provides for submission of an amendment to the voters at the next statewide election to be held in April of 2006. Further specifies that Act 513 of the 2005 Regular Session is repealed, the amendment to the Constitution proposed in such Act is withdrawn, and the Secretary of State is ordered not to include the proposition contained in that Act on the ballot for the next statewide election.

| <b>EXPENDITURES</b> | <b><u>2005-06</u></b> | <b><u>2006-07</u></b> | <b><u>2007-08</u></b> | <b><u>2008-09</u></b> | <b><u>2009-10</u></b> | <b><u>5 -YEAR TOTAL</u></b> |
|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------------|
| State Gen. Fd.      | \$0                   | \$0                   | \$0                   | \$0                   | \$0                   | <b>\$0</b>                  |
| Agy. Self-Gen.      | \$0                   | \$0                   | \$0                   | \$0                   | \$0                   | <b>\$0</b>                  |
| Ded./Other          | \$0                   | \$0                   | \$0                   | \$0                   | \$0                   | <b>\$0</b>                  |
| Federal Funds       | \$0                   | \$0                   | \$0                   | \$0                   | \$0                   | <b>\$0</b>                  |
| Local Funds         | <u>\$0</u>            | <u>\$0</u>            | <u>\$0</u>            | <u>\$0</u>            | <u>\$0</u>            | <b>\$0</b>                  |
| <b>Annual Total</b> | <b>\$0</b>            | <b>\$0</b>            | <b>\$0</b>            | <b>\$0</b>            | <b>\$0</b>            | <b>\$0</b>                  |

| <b>REVENUES</b>     | <b><u>2005-06</u></b> | <b><u>2006-07</u></b> | <b><u>2007-08</u></b> | <b><u>2008-09</u></b> | <b><u>2009-10</u></b> | <b><u>5 -YEAR TOTAL</u></b> |
|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------------|
| State Gen. Fd.      | \$0                   | \$0                   | \$0                   | \$0                   | \$0                   | <b>\$0</b>                  |
| Agy. Self-Gen.      | \$0                   | \$0                   | \$0                   | \$0                   | \$0                   | <b>\$0</b>                  |
| Ded./Other          | \$0                   | \$0                   | \$0                   | \$0                   | \$0                   | <b>\$0</b>                  |
| Federal Funds       | SEE BELOW             | SEE BELOW             | SEE BELOW             | SEE BELOW             | SEE BELOW             |                             |
| Local Funds         | <u>\$0</u>            | <u>\$0</u>            | <u>\$0</u>            | <u>\$0</u>            | <u>\$0</u>            | <b>\$0</b>                  |
| <b>Annual Total</b> | <b>\$0</b>            | <b>\$0</b>            | <b>\$0</b>            | <b>\$0</b>            | <b>\$0</b>            | <b>\$0</b>                  |

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. HB 27 of the 2005 1st Extraordinary Session provides for a special election for the purpose of submitting constitutional amendments; therefore, no costs will be incurred to include this measure on the ballot.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. Currently there is a constitutional amendment pending a vote of the people (Act 513 of 2005) that would deposit any income derived from outer continental shelf oil and gas activity as provided by federal law into the Wetlands Conservation and Restoration Fund and establishes its dedicated uses. This new constitutional amendment changes the name of the fund to the "Coastal Protection and Restoration Fund" and adds a new allowable use to the fund, "coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly impacted by coastal wetland losses."

While additional federal funding for coastal restoration has been made available, it is not specifically "federal revenues received by the State generated from outer continental shelf oil and gas production" and therefore may or may not be deposited into the fund.

Senate

Dual Referral Rules

House

13.5.1 >= \$500,000 Annual Fiscal Cost

6.8(F) >= \$500,000 Annual Fiscal Cost

13.5.2 >= \$500,000 Annual Tax or Fee Change

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

**Robert E. Hosse**  
LFO Staff Director