

SENATE BILL NO. 27 (Duplicate of House Bill No. 139)

BY SENATOR DUPRE AND REPRESENTATIVE ALARIO AND COAUTHORED BY SENATORS ADLEY, AMEDEE, BAJOIE, BARHAM, BOASSO, BROOME, CAIN, CHAISSON, CHEEK, CRAVINS, DARDENNE, DUPLESSIS, ELLINGTON, FONTENOT, B. GAUTREAU, N. GAUTREAU, HEITMEIER, HINES, HOLLIS, JACKSON, JONES, LENTINI, MALONE, MARIONNEAUX, MCPHERSON, MICHOT, MOUNT, MURRAY, NEVERS, QUINN, ROMERO, SCHEDLER, SHEPHERD, SMITH, THEUNISSEN AND ULLO AND REPRESENTATIVES ARNOLD, BALDONE, BAUDOIN, BRUCE, BURRELL, K. CARTER, CAZAYOUX, CRANE, CURTIS, DAMICO, DANIEL, DARTEZ, DEWITT, DORSEY, DOVE, FANNIN, FARRAR, FAUCHEUX, FRITH, GRAY, HAMMETT, HARRIS, HEBERT, HILL, HONEY, HUTTER, JACKSON, JEFFERSON, LABRUZZO, LAFLEUR, LAFONTA, LAMBERT, LANCASTER, MCDONALD, ODINET, PIERRE, PITRE, M. POWELL, T. POWELL, QUEZAIRE, RICHMOND, RITCHIE, ROBIDEAUX, ROMERO, SALTER, SCALISE, SCHNEIDER, SMILEY, GARY SMITH, JACK SMITH, JANE SMITH, ST. GERMAIN, STRAIN, TOOMY, TOWNSEND, TRAHAN, TUCKER, WALKER, WHITE AND WOOTON

1 A JOINT RESOLUTION

2 Proposing to amend Article VII, Sections 10(D)(2)(e), 10.2, and 10.5(B) and (C) of the
3 Constitution of Louisiana and to repeal Act No. 513 of the 2005 Regular Session,
4 relative to the Wetlands Conservation and Restoration Fund; to change the name of
5 the fund to the Coastal Protection and Restoration Fund; to provide relative to
6 deposits and uses of the fund; to provide relative to certain federal revenues received
7 by the state generated from Outer Continental Shelf oil and gas activity; to provide
8 for the depositing and crediting of such monies into the fund, and for the uses of such
9 federal revenues; to provide for submission of the proposed amendment to the
10 electors; and to provide for related matters.

11 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
12 elected to each house concurring, that there shall be submitted to the electors of the state, for
13 their approval or rejection in the manner provided by law, a proposal to amend Article VII,
14 Sections 10(D)(2)(e), 10.2, and 10.5(B) and (C) of the Constitution of Louisiana, to read as
15 follows:

16 §10. Expenditure of State Funds

1 Section 10.

2 * * *

3 (D) Appropriations.

4 * * *

5 (2) Except as otherwise provided in this constitution, the appropriation or
6 allocation of any money designated in the official forecast as nonrecurring shall be
7 made only for the following purposes:

8 * * *

9 (e) Providing for allocation or appropriation for deposit into the ~~Wetlands~~
10 ~~Conservation~~ Coastal Protection and Restoration Fund established in Article VII,
11 Section 10.2 of this constitution.

12 * * *

13 §10.2. ~~Wetlands Conservation and Restoration~~ Coastal Protection and
14 Restoration Fund

15 Section 10.2(A) ~~Effective July 1, 1990, there~~ There shall be established in
16 the state treasury the ~~Wetlands Conservation and Restoration~~ Coastal Protection
17 and Restoration Fund to provide a dedicated, recurring source of revenues for the
18 development and implementation of a program to ~~conserve and restore Louisiana's~~
19 ~~vegetated wetlands.~~ protect and restore Louisiana's coastal area.

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

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

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

30 (3) As provided by the requirements of Article VII, Sections 10-A and 10.1

1 of this constitution.

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

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

14 (a) Ten million dollars of the mineral revenues in excess of six hundred
15 million dollars which remain after the allocations provided for in Paragraph (A) are
16 made by the treasurer.

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

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

24 (C) The money in the fund shall be invested as provided by law and any
25 earnings realized on investment of money in the fund shall be deposited in and
26 credited to the fund. Money from other sources, such as donations, appropriations,
27 or dedications, may be deposited in and credited to the fund; however, the balance
28 of the fund which consists of mineral revenues from severance taxes, royalty
29 payments, bonus payments, or rentals shall not exceed an amount provided by law,
30 but in no event shall the amount provided by law be less than five hundred million

1 dollars. Any unexpended money remaining in the fund at the end of the fiscal year
2 shall be retained in the fund.

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

7 No appropriation shall be made from the fund inconsistent with the purposes
8 of the plan.

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

14 **(2) Federal revenues credited to the Coastal Protection and Restoration**
15 **Fund pursuant to this Paragraph shall be used only for the purposes of coastal**
16 **protection, including conservation, coastal restoration, hurricane protection,**
17 **and infrastructure directly impacted by coastal wetland losses.**

18 **(3) The fund balance limitations provided for in Paragraph (B) of this**
19 **Section relative to the mineral revenues deposited to this fund shall not apply**
20 **to revenues deposited pursuant to the provisions of this Paragraph.**

21 * * *

22 §10.5. Mineral Revenue Audit and Settlement Fund

23 * * *

24 (B) After making the allocations provided for in Paragraph (A), the treasurer
25 shall then deposit in and credit to the Mineral Revenue Audit and Settlement Fund
26 any such remaining revenues. Any revenues deposited in and credited to the fund
27 shall be considered mineral revenues from severance taxes, royalty payments, bonus
28 payments, or rentals for purposes of determining deposits and credits to be made in
29 and to the ~~Wetlands Conservation and Restoration Fund~~ **Coastal Protection and**
30 **Restoration Fund** as provided in Article VII, Section 10.2 of this constitution. Any

1 revenues deposited in and credited to the fund shall not be considered mineral
2 revenues for purposes of the Budget Stabilization Fund as provided in Article VII,
3 Section 10.3 of this constitution. Money in the fund shall be invested as provided by
4 law. The earnings realized in each fiscal year on the investment of monies in the
5 Mineral Revenue Audit and Settlement Fund shall be deposited in and credited to the
6 Mineral Revenue Audit and Settlement Fund.

7 (C) After making the allocations provided for in Paragraph (A), the treasurer
8 shall credit thirty-five million dollars to the ~~Wetlands Conservation and Restoration~~
9 ~~Fund~~ **Coastal Protection and Restoration Fund**, and thereafter any monies credited
10 to the fund in any fiscal year may be annually appropriated by the legislature only
11 for the purposes of retirement in advance of maturity through redemption, purchase,
12 or repayment of debt of the state, pursuant to a plan proposed by the State Bond
13 Commission to maximize the savings to the state; for payments against the unfunded
14 accrued liability of the public retirement systems which are in addition to any
15 payments required for the annual amortization of the unfunded accrued liability of
16 the public retirement systems, required by Article X, Section 29 of this constitution;
17 however, any such payment to the public retirement systems shall not be used,
18 directly or indirectly, to fund cost-of-living increases for such systems; and for
19 deposit in the ~~Wetlands Conservation and Restoration Fund~~ **Coastal Protection and**
20 **Restoration Fund**.

21 Section 2. Be it further resolved that Act No. 513 of the 2005 Regular Session is
22 hereby repealed, the amendment to the constitution proposed in such Act is hereby
23 withdrawn, and the secretary of state is hereby ordered not to include the proposition
24 contained in that Act on the ballot on November 7, 2006.

25 Section 3. Be it further resolved that this proposed amendment shall be submitted to
26 the electors of the state of Louisiana at the statewide election to be held on April 29, 2006,
27 if provision is made by law for a statewide election to be held on that date; if no provision
28 is made for such an election on April 29, 2006, then on the date of the next statewide
29 election provided for by law.

30 Section 4. Be it further resolved that on the official ballot to be used at said election

1 there shall be printed a proposition, upon which the electors of the state shall be permitted
2 to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
3 read as follows:

4 To change the name from the Wetlands Conservation and Restoration Fund
5 to the Coastal Protection and Restoration Fund; to provide that the eligible
6 federal revenues received by the state generated from Outer Continental
7 Shelf oil and gas activity shall be credited to the Coastal Protection and
8 Restoration Fund and used only for purposes of coastal wetlands
9 conservation, coastal restoration, hurricane protection, and infrastructure
10 directly impacted by coastal wetland losses.

11 (Amends Article VII, Sections 10(D)(2)(e), 10.2, and 10.5(B) and (C))

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES