

Regular Session, 2008

HOUSE BILL NO. 420

BY REPRESENTATIVES GALLOT, ANDERS, ARMES, AUBERT, BOBBY BADON, BALDONE, BARRAS, BILLIOT, BURFORD, HENRY BURNS, BURRELL, CARMODY, CARTER, CHAMPAGNE, CHANEY, CORTEZ, DANAHAY, DIXON, DOERGE, DOWNS, ELLINGTON, FANNIN, FOIL, GEYMANN, GISCLAIR, GREENE, ELBERT GUILLORY, MICKEY GUILLORY, GUINN, HARDY, HARRISON, HENRY, HILL, HOFFMANN, HONEY, HOWARD, ROSALIND JONES, SAM JONES, KATZ, KLECKLEY, LAMBERT, LEBAS, LITTLE, MCVEA, MILLS, MONTOUCET, MORRIS, NORTON, NOWLIN, PEARSON, PERRY, PETERSON, POPE, PUGH, RICHARD, RITCHIE, ROBIDEAUX, ROY, SIMON, GARY SMITH, JANE SMITH, TALBOT, TUCKER, WADDELL, WHITE, WILLIAMS, WILLMOTT, AND WOOTON AND SENATORS MARIONNEAUX, MICHOT, AND WALSWORTH

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A JOINT RESOLUTION

Proposing to amend Article VII, Section 4(D)(3) and to enact Article VII, Section 4(D)(4) and (5) of the Constitution of Louisiana, to increase the amount of the severance tax on certain natural resources which is remitted to parish governing authorities and to a certain special fund; to provide for the use of such remitted funds; to provide for an effective date; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

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 of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 4(D)(3) and to add Article VII, Section 4(D)(4) and (5) of the Constitution of Louisiana, to read as follows:

§4. Income Tax; Severance Tax; Political Subdivisions

Section 4.

\* \* \*

(D)

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(3)(a) Effective July 1, 2007, one-fifth of the severance tax on all natural resources other than sulphur, lignite, or timber shall be remitted to the governing

1 authority of the parish in which severance or production occurs. The initial  
2 maximum amount remitted to the parish in which severance or production occurs  
3 shall not exceed eight hundred fifty thousand dollars. Effective July 1, 2009, the  
4 maximum amount remitted to the parish in which severance or production occurs  
5 shall not exceed one million eight hundred fifty thousand dollars. Effective July 1,  
6 2010, the maximum amount remitted to the parish in which severance or production  
7 occurs shall not exceed two million eight hundred fifty thousand dollars. The  
8 maximum amount remitted shall be increased each July first, beginning in 2008, by  
9 an amount equal to the average annual increase in the Consumer Price Index for all  
10 urban consumers, as published by the United States Department of Labor, for the  
11 previous calendar year, as calculated and adopted by the Revenue Estimating  
12 Conference.

13 (b) At least fifty percent of the excess severance tax remitted to a parish in  
14 a fiscal year shall only be used within the parish in the same manner and for the same  
15 purposes as money received by the parish from the Parish Transportation Fund or its  
16 successor.

17 (4) The term "excess severance tax" shall mean the amount of severance tax  
18 remitted to a parish pursuant to the provisions of Paragraph (3) which is in excess of  
19 the amount of severance tax remitted to the parish for the fiscal year prior to July 1,  
20 2009.

21 (5)(a)(i)(aa) Notwithstanding any other provision of this constitution, after  
22 deposit to the Bond Security and Redemption Fund as required in Article VII,  
23 Section 9 of this constitution, and the allocations required in this Paragraph,  
24 Paragraph (E) of this Section, and Article VII, Section 10-A of this constitution,  
25 beginning July 1, 2009, fifty percent of the revenues received from severance taxes  
26 on state lands in the Atchafalaya Basin each fiscal year, but not to exceed ten million  
27 dollars each fiscal year, shall be deposited by the treasurer into the Atchafalaya Basin  
28 Conservation Fund hereby created as a special fund in the state treasury. The money  
29 in the fund shall be appropriated to the Department of Natural Resources to be used  
30 exclusively to fund projects contained in the state or federal Basin master plans or

1 an annual Basin plan developed by an Atchafalaya Basin Research and Promotion  
2 Board and other such advisory or approval boards, all of which the legislature shall  
3 create and provide for by law within the Atchafalaya Basin Program, or to provide  
4 match for the Atchafalaya Basin Floodway System, Louisiana Project, all as the  
5 secretary of the Department of Natural Resources shall direct.

6 (bb) The money in the fund shall be invested by the treasurer in the same  
7 manner as money in the state general fund, and interest earnings shall be deposited  
8 in and credited to the fund. All unexpended or unencumbered money remaining in  
9 the fund at the end of the fiscal year shall remain in the fund.

10 (ii) Of the money allocated in any one fiscal year, eighty-five percent shall  
11 be used for water management, water quality, or access projects, and the remaining  
12 fifteen percent may be used to complete ongoing projects and for projects that are  
13 in accordance with the mission statement of the state master plan. However, a  
14 maximum of five percent of the money allocated in any one fiscal year may be used  
15 for the operational costs of the program or the department.

16 (b) As used in this Subparagraph, the following terms shall have the meaning  
17 ascribed to them below:

18 (i) "Access project" means construction or renovation of a boat launch or a  
19 roadway that provides access to areas of the Atchafalaya Basin, or acquisition of a  
20 maximum of fifteen hundred acres, all in compliance with the provisions of the state  
21 or federal master plans.

22 (ii) "Annual Basin plan" means the list of projects or stages of projects to be  
23 undertaken in any single fiscal year.

24 (iii) "Atchafalaya Basin" means the area located within the guide levees of  
25 the Atchafalaya Basin and those areas directly adjacent to the levees bounded on the  
26 north by U.S. Highway 190 and on the south by Morgan City, and as defined in the  
27 Atchafalaya Basin Floodway System, Louisiana Project.

28 (iv) "Atchafalaya Basin Floodway System, Louisiana Project" means the  
29 Atchafalaya Basin Floodway System, Louisiana Project and enacted by the 1982  
30 Atchafalaya Basin Floodway System, U.S. Army Corps of Engineers Feasibility



1 in the same manner and for the same purposes as money received by the  
 2 parish from the Parish Transportation Fund; to increase the amount of such  
 3 severance taxes collected by the state, not to exceed ten million dollars each  
 4 fiscal year, which is to be deposited to a special fund created in the state  
 5 treasury to be known as the Atchafalaya Basin Conservation Fund, in order  
 6 to fund projects contained in the state or federal Basin master plans or an  
 7 annual Basin plan developed by an Atchafalaya Basin Research and  
 8 Promotion Board and other such advisory or approval boards, all of which  
 9 the legislature must create and provide for by law within the Atchafalaya  
 10 Basin Program, or to provide match for the Atchafalaya Basin Floodway  
 11 System, Louisiana Project, all as the secretary of the Department of Natural  
 12 Resources shall direct, provided that eighty-five percent must be used for  
 13 water management, water quality, or access projects, and the remaining  
 14 fifteen percent may be used to complete ongoing projects and for projects  
 15 that are in accordance with the mission statement of the state master plan,  
 16 further provided, however, that up to five percent of the money allocated in  
 17 any one fiscal year may be used for the operational costs of the program or  
 18 the department; all to become effective July 1, 2009. (Amends Article VII,  
 19 Section 4(D)(3); Adds Article VII, Section 4(D)(4) and (5))

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_