

Present constitution provides that 1/5 of the severance tax on all natural resources other than sulphur, lignite, or timber shall be remitted to the governing authority of the parish in which severance or production occurs. The initial maximum amount remitted to the parish in which severance or production occurs shall not exceed \$850,000.

Proposed constitutional amendment increases the maximum amount of the severance tax imposed and collected by the state on natural resources, other than sulphur, lignite, and timber, which is remitted to the parish governing authority where the severance occurs from \$850,000 to \$1,850,000, effective July 1, 2009, and then to \$2,850,000, effective July 1, 2010.

Proposed constitutional amendment provides that at least 50% of the excess severance tax revenues received by a parish pursuant to proposed constitutional amendment shall only be used within the parish in the same manner and for the same purposes as money received by the parish from the Parish Transportation Fund.

Present constitution provides that the maximum amount remitted shall be increased each July 1, beginning in 2008, by an amount equal to the average annual increase in the Consumer Price Index for all urban consumers, as published by the U.S. Dept. of Labor, for the previous calendar year, as calculated and adopted by the Revenue Estimating Conference.

Proposed constitutional amendment retains the CPI increase provision.

Proposed constitutional amendment provides that, after all other severance tax allocations have been satisfied, 50% of the revenues received from severance taxes collected on state lands, not to exceed \$10 million, within the Atchafalaya Basin shall be deposited into the Atchafalaya Basin Conservation Fund. The money in the fund shall be appropriated to the Dept. of Natural Resources to be used exclusively to fund projects contained in the state or federal Basin master plans or an annual Basin plan developed by an Atchafalaya Basin Research and Promotion Board and such other advisory or approval boards which the legislature must create or provide for by law within the Atchafalaya Basin Program, or to provide match for the Atchafalaya Basin Floodway System, Louisiana Project.

Proposed constitutional amendment provides that 85% of the monies shall be used for water management, water quality, or access projects within the Atchafalaya Basin, and the remaining 15% may be used to complete ongoing projects and for projects that are in accordance with the mission statement of the state master plan. A maximum of 5% of the money may be allocated for operational costs of the program or the department.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 4, 2008.

(Amends Const. Art. VII, §4(D)(3); Adds Const. Art. VII, §4(D)(4) and (5))