

SENATE COMMITTEE AMENDMENTS

Amendments proposed by Senate Committee on Revenue and Fiscal Affairs to Re-
Reengrossed House Bill No. 765 by Representative Gallot

1 AMENDMENT NO. 1

2 On page 1, line 2, after "4(D)(3)" insert "and to add Article VII, Section 4(D)(4)"

3 AMENDMENT NO. 2

4 On page 1, line 3, after "tax" insert "and other mineral revenues"

5 AMENDMENT NO. 3

6 On page 1, line 4, after "taxes;" delete the remainder of the line, delete lines 5 through 17,
7 delete page 2 and 3, and insert:

8 "to require the deposit of a certain amount of the proceeds of severance taxes and royalties
9 collected under certain conditions into certain funds and provide for the use of such funds;
10 and to specify an election for submission of the proposition to electors and provide a ballot
11 proposition.

12 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
13 elected to each house concurring, that there shall be submitted to the electors of the state, for
14 their approval or rejection in the manner provided by law, a proposal to amend Article VII,
15 Section 4(D)(3) and to add Article VII, Section 4(D)(4) of the Constitution of Louisiana, to
16 read as follows:

17 §4. Income Tax; Severance Tax; Political Subdivisions

18 Section 4.

19 * * *

20 (D)

21 * * *

22 (3)(a) Effective July 1, 2007, one-fifth of the severance tax on all natural
23 resources other than sulphur, lignite, or timber shall be remitted to the governing
24 authority of the parish in which severance or production occurs. Except as provided
25 in Item (b) of this Subparagraph, the initial maximum amount remitted to the parish
26 in which severance or production occurs shall not exceed eight hundred fifty
27 thousand dollars. The maximum amount remitted shall be increased each July first,
28 beginning in 2008, except on a July first of a fiscal year in which the provisions of
29 Item (b) of this Subparagraph become effective, by an amount equal to the average
30 annual increase in the Consumer Price Index for all urban consumers, as published
31 by the United States Department of Labor, for the previous calendar year, as
32 calculated and adopted by the Revenue Estimating Conference.

33 (b)(i) Effective for any fiscal year in which the Revenue Estimating
34 Conference estimates in the last official forecast occurring before the start of such
35 fiscal year that severance tax collections on natural resources other than sulphur,
36 lignite, or timber exceeds the actual amount of such severance taxes collected in
37 Fiscal Year 2008-2009, the maximum amount which shall be remitted to the parish
38 in which severance or production occurs shall not exceed two million eight hundred
39 fifty thousand dollars in that fiscal year.

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

44 (iii) The term "excess severance tax" shall mean the amount of severance tax
45 remitted to a parish pursuant to the provisions of Paragraph (3) which is in excess of
46 the amount of severance tax remitted to the parish in the most recent fiscal year in
47 which the increased remittance provided for in Subitem (i) of this Subparagraph did
48 not occur.

1 (4)(a)(i)(aa) Notwithstanding any other provision of this constitution, after
 2 deposit to the Bond Security and Redemption Fund as required in Article VII,
 3 Section 9 of this constitution, and the allocations required in this Paragraph,
 4 Paragraph (E) of this Section, and Article VII, Sections 10-A and 10.2 of this
 5 constitution, effective for any fiscal year in which the Revenue Estimating
 6 Conference estimates in the last official forecast occurring before the start of such
 7 fiscal year that severance tax and royalties collected on natural resources other than
 8 sulphur, lignite, or timber will exceed the actual amount of such severance taxes
 9 collected in Fiscal Year 2008-2009, an amount equal to fifty percent of the revenues
 10 received from severance taxes and royalties on state lands in the Atchafalaya Basin,
 11 but not to exceed ten million dollars each fiscal year, shall be deposited by the
 12 treasurer into the Atchafalaya Basin Conservation Fund hereby created as a special
 13 fund in the state treasury. The money in the fund shall be appropriated to the
 14 Department of Natural Resources to be used exclusively to fund projects contained
 15 in the state or federal Basin master plans or an annual Basin plan developed by an
 16 Atchafalaya Basin Research and Promotion Board and other such advisory or
 17 approval boards, all of which the legislature shall create and provide for by law
 18 within the Atchafalaya Basin Program, or to provide match for the Atchafalaya Basin
 19 Floodway System, Louisiana Project, all as the secretary of the Department of
 20 Natural Resources shall direct, subject to the approval of the Senate Committee on
 21 Natural Resources and the House Committee on Natural Resources and
 22 Environment.

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

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

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

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

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

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

45 (iv) "Atchafalaya Basin Floodway System, Louisiana Project" means the
 46 Atchafalaya Basin Floodway System, Louisiana Project and enacted by the 1982
 47 Atchafalaya Basin Floodway System, U.S. Army Corps of Engineers Feasibility
 48 Study, Supplemental Appropriations Act of 1985, Public Law 99-88, as amended by
 49 the Water Resources Development Act of 1986, Public Law 99-662, the Energy and
 50 Water Development Appropriations Act of 1991, Public Law 101-514, the Energy
 51 and Water Development Appropriations Act of 1997, Public Law 104-206, the Water
 52 Resources Development Act of 2000, Public Law 106-541, and the Water Resources
 53 Development Act of 2007, Public Law 110-114.

54 (v) "Basin master plan" means the plan developed by the state in accordance
 55 with the federal Atchafalaya Basin Floodway System, Louisiana Project, pursuant
 56 to federal law, including the Supplemental Appropriations Act of 1985, Public Law
 57 99-88, and the Water Resources Development Act of 1986, Public Law 99-662.

58 (vi) "Water management project" means any project that facilitates
 59 improvements to water quality, interior circulation, water access, or improvements
 60 to general ecosystem function by means of sediment reduction, removal, or
 61 diversion.

* * *

Section 2. Be it further resolved that this proposed amendment shall be submitted to the electors of the state of Louisiana at the statewide election to be held on November 2, 2010.

Section 3. Be it further resolved that the increased remittances of severance tax and royalties as provided for in this constitutional amendment shall not occur before Fiscal Year 2011-2012.

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

To decrease the amount of severance tax retained by the state on natural resources, other than sulphur, lignite, and timber, and increase the maximum proceeds parish governing authorities where severance occurs may receive in a fiscal year of the tax collected on certain natural resources from eight hundred fifty thousand dollars to two million eight hundred fifty thousand dollars; to require at least fifty percent of the excess proceeds received by a parish because of this constitutional amendment to be used within the parish only in the same manner and for the same purposes as money received by the parish from the Parish Transportation Fund; to require the deposit of an amount of severance taxes and royalties collected by the state, not to exceed ten million dollars each fiscal year, to a special fund created in the state treasury to be known as the Atchafalaya Basin Conservation Fund, in order 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, subject to approval of the Senate Committee on Natural Resources and the House Committee on Natural Resources and Environment, provided that eighty-five percent must be used for water management, water quality, or access projects, and the remaining fifteen percent may be used to complete ongoing projects and for projects that are in accordance with the mission statement of the state master plan, further provided, however, that up to five percent of the money allocated in any one fiscal year may be used for the operational costs of the program or the department; to authorize such increases only in a fiscal year in which official estimates show that such taxes and/or royalties collected will exceed the actual amount of such taxes collected in Fiscal Year 2008-2009; to provide that the proposed increased remittance of severance tax and royalties shall not occur before fiscal year 2011-2012.

(Amends Article VII, Section 4(D)(3); adds Article VII, Section 4(D)(4))"