

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 599** SLS 10RS 405

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 21, 2010	8:55 AM	Author: GAUTREAUX, B.
Dept./Agy.: Natural Resources		
Subject: OCS Oil & Gas Activity/Administrative Costs		Analyst: Stephanie C. Blanchard

COASTAL PROTECT/RES FD EG SEE FISC NOTE SD EX See Note Page 1 of 1
 Provides that no more than five percent of the federal revenues generated from Outer Continental Shelf oil and gas activity may be used for administrative costs or fees. (8/15/10)
 Proposed law provides that no more than 7% of the federal revenues received by the state generated from Outer Continental Shelf energy activity may be used for administrative costs or fees. Remaining percent shall be used for costs or fees associated with the design and construction for the purposes of integrated coastal protection, including but not limited to coastal wetlands conservation, coastal restoration, hurricane protection, or for infrastructure directly impacted by coastal wetlands losses. Provides an exception for revenues received by the state pursuant to Section 1337 (g) of Title 43 of the United State Code, also known as "8(g)" funds.

EXPENDITURES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The effect of this proposed legislation is indeterminable at this time since there are no reliable projections of the revenue derived from Outer Continental Shelf energy activity. The state began receiving revenue from Outer Continental Shelf activity in FY 09 in the amount of \$6,347,321, which was deposited into the Coastal Protection and Restoration Fund. In the current year \$699,757 has been deposited. None of these funds have been used for administrative costs. Currently, there are no plans for using this funding source for administrative purposes.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$500,000 Annual Fiscal Cost
 13.5.2 >= \$500,000 Annual Tax or Fee Change

House
 6.8(F) >= \$500,000 Annual Fiscal Cost
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Robert E. Hosse
Robert E. Hosse
LFO Staff Director