

2026 Regular Session

SENATE BILL NO. 187

BY SENATOR PRESSLY

FUNDS/FUNDING. Creates the Oil and Gas Severance Subfund in the Parish Transportation Fund. (7/1/26)

1 AN ACT

2 To amend and reenact R.S. 48:751 and to enact R.S. 48:752.1, 753.1, and 756.1, relative to  
3 the creation of the Oil and Gas Severance Subfund within the Parish Transportation  
4 Fund; to provide for composition of the subfund; to provide for statutory dedications  
5 to the subfund; to provide for use of the subfund; to provide for the distribution of  
6 monies in the subfund; to provide for an effective date; and to provide for related  
7 matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 48:751 is hereby amended and reenacted and R.S. 48:752.1, 753.1,  
10 and 756.1 are hereby enacted to read as follows:

11 §751. Parish transportation

12 A. There is hereby established in the state treasury a special fund to be  
13 designated the "Parish Transportation Fund" to consist of the funds and to be used  
14 for the purposes hereinafter provided in this Part.

15 **B. There is hereby established within the Parish Transportation Fund**  
16 **the "Oil and Gas Severance Subfund" to consist of the funds and to be used for**  
17 **the purposes hereinafter provided for in R.S. 48:753.1.**

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**§752.1. Composition of the Oil and Gas Severance Subfund**

**The state treasurer shall credit to the Oil and Gas Severance Subfund of the Parish Transportation Fund created by R.S. 48:751 the following:**

**(1) For the fiscal year beginning on July 1, 2026, and each fiscal year thereafter, no less than five percent of the total avails from state severance taxes on oil and gas as provided for in R.S. 47:633.**

**(2) All monies made available from funds annually appropriated by the legislature.**

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**§753.1. Use of Oil and Gas Severance Subfund**

**The monies in the Oil and Gas Severance Subfund shall be used:**

**(1) To restore and maintain public roads and bridges within a parish that facilitates operations and activities associated with the oil and gas industry.**

**(2) Notwithstanding any other provisions of this Part, under no circumstances shall funds deposited into the Oil and Gas Severance Subfund be utilized by any parish to secure or provide for bond issuances.**

\* \* \*

**§756.1. Distribution formula of the Oil and Gas Severance Subfund**

**Notwithstanding any other provisions of this Part, the monies in the Oil and Gas Severance Subfund shall be distributed on a pro-rata basis to the parishes subject to the limitations of Article VII, Section 4(D)(3) of the Constitution of Louisiana.**

Section 2. This Act shall become effective on July 1, 2026; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval by the legislature or July 1, 2026, whichever is later.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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DIGEST

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Present law provides for a special fund in the state treasury designated as the "Parish Transportation Fund".

Proposed law retains present law and establishes the "Oil and Gas Severance Subfund", hereinafter "subfund", within the Parish Transportation Fund.

Proposed law requires the state treasurer to credit to the subfund the following:

- (1) For the fiscal year beginning on July 1, 2026, and each following fiscal year, no less than five percent of the total avails from state severance taxes on oil and gas.
- (2) All monies made available from funds annually appropriated by the legislature.

Proposed law requires all monies in the subfund be used to restore and maintain public roads and bridges within a parish that facilitates operations and activities associated with the oil and gas industry.

Proposed law prohibits a parish from issuing or securing bonds with funds deposited into the subfund.

Proposed law requires distribution of monies in the subfund on a pro-rata basis to parishes subject to limitations contained in the present constitution.

Effective July 1, 2026.

(Amends R.S. 48:751; adds R.S. 48:752.1, 753.1, and 756.1)