

First Extraordinary Session, 2005

SENATE BILL NO. 28

BY SENATOR DUPRE

COASTAL RESOURCES. Changes name of Wetlands Conservation and Restoration Fund to Coastal Protection and Restoration Fund and provides for deposit and uses of the fund.

1 AN ACT

2 To amend and reenact R.S. 49:213.7(A)(1) and (2)(introductory paragraph), (B)(1) and (2)  
3 (introductory paragraph), (C), (D), (E)(introductory paragraph) and (F), and to enact  
4 R.S. 49:213.7(B)(3) and (E)(7), relative to the Wetlands Conservation and  
5 Restoration Fund; to change the name of the fund to the Coastal Protection and  
6 Restoration Fund; to provide relative to certain federal revenues to be credited and  
7 deposited to the fund; to provide relative to certain fund uses; to repeal Act 300 of  
8 the 2005 Regular Session; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 49:213.7(A)(1) and (2)(introductory paragraph), (B)(1) and  
11 (2)(introductory paragraph), (C), (D), (E)(introductory paragraph) and (F) are hereby  
12 amended and reenacted, and R.S. 49:213.7(B)(3) and (E)(7) are hereby enacted, to read as  
13 follows:

14 §213.7. Funding

15 A.(1) To provide a dedicated, recurring source of revenue for the  
16 development and implementation of a program to ~~conserve and restore Louisiana's~~  
17 ~~coastal vegetated wetlands,~~ **protect and restore Louisiana's coastal area,** there

1 shall be established in the state treasury on the effective date of this Subpart the  
2 ~~Wetlands Conservation~~ **Coastal Protection** and Restoration Fund.

3 (2) Of all mineral revenues received in each fiscal year by the state including  
4 those received as a result of the production of or exploration for minerals, hereinafter  
5 referred to as mineral revenues from severance taxes, royalty payments, bonus  
6 payments, or rentals, and excluding **federal revenues received pursuant to**  
7 **Subsection C and** such revenues received by the state as a result of grants or  
8 donations when the terms or conditions thereof require otherwise, the treasurer shall  
9 make the following allocations:

10 \* \* \*

11 B.(1) After making the allocations provided for in Subsection A of this  
12 Section, the treasurer shall then deposit in and credit to the ~~Wetlands Conservation~~  
13 **Coastal Protection** and Restoration Fund any amount of mineral revenues that may  
14 be necessary to insure that a total of five million dollars is deposited into such fund  
15 for the fiscal year from this source; provided that the balance of the fund which  
16 consists of mineral revenues from severance taxes, royalty payments, bonus  
17 payments, or rentals shall not exceed the amount provided in Subsection D of this  
18 Section.

19 (2) After making the allocations and deposits as provided for in Subsections  
20 A and B(1) of this Section, the treasurer shall deposit in and credit to the ~~Wetlands~~  
21 ~~Conservation~~ **Coastal Protection** and Restoration Fund as follows:

22 \* \* \*

23 (3) **The treasurer shall deposit in and credit to the fund the amount of**  
24 **mineral revenues as provided for herein.**

25 C. ~~The treasurer shall deposit in and credit to the fund the amount of mineral~~  
26 ~~revenues as provided for herein.~~

27 (1) **Subject to Article VII, Sections 9(B) and 10.1 of the state constitution,**  
28 **in each fiscal year, the federal revenues that are received by the state generated**  
29 **from Outer Continental Shelf oil and gas activity and eligible, as provided by**

1 federal law, to be used for the purposes provided in this Subsection shall be  
2 deposited and credited by the treasurer to the Coastal Protection and  
3 Restoration Fund.

4 (2) Such federal revenues shall be used only for the purposes of coastal  
5 wetlands conservation, coastal restoration, hurricane protection and  
6 infrastructure directly impacted by coastal wetlands losses.

7 D. The money in the fund shall be invested as provided by law and any  
8 earnings realized on investment of money in the fund shall be deposited in and  
9 credited to the fund. Money from other sources, such as donations, appropriations,  
10 or dedications, may be deposited in and credited to the fund; however, the balance  
11 of the fund which, exclusive of federal revenues received pursuant to Subsection  
12 C, consists of mineral revenues from severance taxes, royalty payments, bonus  
13 payments, or rentals shall not exceed five hundred million dollars. Any unexpended  
14 money remaining in the fund at the end of the fiscal year shall be retained in the  
15 fund.

16 E. The money in the ~~Wetlands Conservation~~ Coastal Protection and  
17 Restoration Fund is subject to appropriations by the legislature only to the coastal  
18 restoration division within the office of coastal restoration and management, except  
19 for purposes of hurricane protection. The money in the fund may be used only for  
20 those projects and programs which are consistent with the statement of intent, R.S.  
21 49:213.1, and the plan as it pertains to ~~the conservation and restoration of coastal~~  
22 ~~wetlands~~ coastal protection and restoration and the following purposes:

23 \* \* \*

24 (7) For coastal wetlands conservation, coastal restoration, hurricane  
25 protection, and infrastructure directly impacted by coastal wetlands losses.

26 F. As used in this Section, the term "balance of the fund" shall mean those  
27 monies in the ~~Wetlands Conservation~~ Coastal Protection and Restoration Fund  
28 which have not been expended or obligated under the plan approved pursuant to R.S.  
29 49:213.6, or otherwise obligated in accordance with law.

1 Section 2. Act 300 of the 2005 Regular Session is hereby repealed in its entirety.

2 Section 3. This Act shall take effect and become operative if and when the proposed  
3 amendment of Article VII, Section 10.2 of the Constitution of Louisiana contained in the Act  
4 which originated as Senate Bill No. \_\_\_\_ of the 2005 First Extraordinary Session of the  
5 Legislature is adopted at the next statewide election and becomes effective.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Jerry G. Jones.

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### DIGEST

Present law provides relative to the Wetlands Conservation and Restoration Fund in the state treasury, including funding sources, amounts, allocations, and uses.

Proposed law changes name of fund to Coastal Protection and Restoration Fund. Adds that, subject to "8g" and Bond Security and Redemption Fund requirements, federal revenues received by the state generated from Outer Continental Shelf oil and gas activity and eligible, as provided by federal law, to be used for the purposes of the proposed law shall be deposited and credited by the treasurer to the fund. Also provides that such federal revenues shall be used only for the purposes of coastal wetlands conservation, coastal restoration, hurricane protection, and infrastructure directly impacted by coastal wetlands losses.

Present law provides for certain allocations by the treasurer of funds received from all mineral revenues received in each fiscal year by the state, including those received as a result of the production of or exploration for minerals, referred to as mineral revenues from severance taxes, royalty payments, bonus payments, or rentals, excluding such revenues received by the state as a result of grants or donations when the terms or conditions thereof require otherwise. Proposed law retains present law and adds to exclusion federal revenues received from Outer Continental Shelf oil and gas activity as provided in the proposed law.

Present law provides that the money in the fund shall be invested as provided by law and any earnings realized on investment of money in the fund shall be deposited in and credited to the fund. Money from other sources, such as donations, appropriations, or dedications, may be deposited in and credited to the fund; however, the balance of the fund which consists of mineral revenues from severance taxes, royalty payments, bonus payments, or rentals shall not exceed five hundred million dollars. Any unexpended money remaining in the fund at the end of the fiscal year shall be retained in the fund.

Proposed law provides that the money in the fund shall be invested as provided by law and any earnings realized on investment of money in the fund shall be deposited in and credited to the fund. Money from other sources, such as donations, appropriations, or dedications, may be deposited in and credited to the fund; however, the balance of the fund which, exclusive of federal revenues received under the proposed law, consists of mineral revenues from severance taxes, royalty payments, bonus payments, or rentals shall not exceed five hundred million dollars. Any unexpended money remaining in the fund at the end of the fiscal year shall be retained in the fund.

Present law provides that the money in the fund is subject to appropriations by the legislature only to the coastal restoration division within the office of coastal restoration and management, and may be used only for those projects and programs which are consistent with the statement of intent in the present law, and the wetlands conservation and restoration plan as it pertains to the conservation and restoration of coastal wetlands and the following purposes:

- (1) Projects and structures engineered for the enhancement, creation, or restoration of coastal vegetated wetlands.
- (2) Match for federal or local project planning, design, construction, and monitoring.
- (3) Administration and project management, planning, design, construction, and monitoring.
- (4) Operation and maintenance of structural projects consistent with the purpose of the fund.
- (5) Vegetation planting, seeding, or other revegetation methods.
- (6) Planning and implementation of modifications to federal, state, or local flood control, navigation, irrigation, or enhancement projects.

Proposed law provides that money in the fund is subject to appropriations by the legislature only to the coastal restoration division within the office of coastal restoration and management, except for purposes of hurricane protection, and may be used only for those projects and programs which are consistent with the statement of intent in the present law, and the plan as it pertains to coastal protection and restoration and the following purposes:

- (1) Projects and structures engineered for the enhancement, creation, or restoration of coastal vegetated wetlands.
- (2) Match for federal or local project planning, design, construction, and monitoring.
- (3) Administration and project management, planning, design, construction, and monitoring.
- (4) Operation and maintenance of structural projects consistent with the purpose of the fund.
- (5) Vegetation planting, seeding, or other revegetation methods.
- (6) Planning and implementation of modifications to federal, state, or local flood control, navigation, irrigation, or enhancement projects.
- (7) For coastal wetlands conservation, coastal restoration, hurricane protection and infrastructure directly impacted by coastal wetlands losses.

Proposed law provides that it shall take effect and become operative if and when the proposed amendment of Article VII, Section 10.2, of the Constitution of Louisiana contained in the Act which originated as Senate Bill No. \_\_\_\_ of the 2005 First Extraordinary Session of the Legislature is adopted at the next statewide election and becomes effective.

Proposed law repeals Act 300 of the 2005 Regular Session (the enabling legislation for the proposed constitutional amendment contained in Act 513 of the same session).

(Amends R.S. 49:213.7(A)(1) and (2)(intro. para.), (B)(1) and (2)(into. para.), (C), (D) (E)(into. para.) and (F); adds R.S. 49:213.7(B)(3) and (E)(7))