

First Extraordinary Session, 2005

SENATE CONCURRENT RESOLUTION NO. 8

BY SENATOR ADLEY

MINERALS. Memorializes Congress to extend Louisiana's seaward boundary in the Gulf of Mexico to twelve geographical miles.

A CONCURRENT RESOLUTION

To memorialize the Congress of the United States to extend Louisiana's seaward boundary in the Gulf of Mexico to twelve geographical miles.

WHEREAS, Louisiana's seaward boundary in the Gulf of Mexico has been judicially determined to be three geographical miles and the United States has jurisdiction past the three geographical miles; and

WHEREAS, Congress has the power to amend the Submerged Lands Act of 1953 to allow for the recognition that Louisiana's seaward boundary extends twelve geographical miles into the Gulf of Mexico; and

WHEREAS, Louisiana acts as a significant energy corridor vital to the entire United States and provides intersections of oil and natural gas intrastate and interstate pipeline networks which serve as reference for futures markets, such as the Henry Hub for natural gas, the St. James Louisiana Light Sweet Crude Oil, and the Mars Sour Crude Oil contracts; and

WHEREAS, Louisiana provides storage for the nation's Strategic Petroleum Reserve and is the home of the nation's major import terminal for foreign oil, known as the Louisiana Offshore Oil Port; and

WHEREAS, Louisiana and its coastal wetlands provide access to nearly thirty-four

1 percent of the U.S. natural gas supply and nearly twenty-nine percent of the U.S. oil supply;  
2 and

3 WHEREAS, the United States' economic growth depends on access to stable supplies  
4 of oil and natural gas; and

5 WHEREAS, Louisiana ranks first in crude oil production, including the outer  
6 continental shelf production, and ranks second in natural gas production, including the outer  
7 continental shelf production; and

8 WHEREAS, in 2001, the state of Louisiana received only one-half of one percent of  
9 the federal oil and gas revenues off its coast; and

10 WHEREAS, hurricanes Katrina and Rita have shown that the loss of vital oil and gas  
11 infrastructure in Louisiana and the Gulf of Mexico has an immediate and direct impact upon  
12 the economy and well-being of the entire country and its citizens; and

13 WHEREAS, the hurricanes have shut-in approximately fifty-three percent of the  
14 daily oil production in the Gulf of Mexico, and shut-in approximately forty-seven percent  
15 of the daily gas production in the Gulf of Mexico; and

16 WHEREAS, for the time period of August 26, 2005, through November 3, 2005, the  
17 cumulative shut-in of oil production is approximately fourteen percent of the yearly oil  
18 production in the Gulf of Mexico, and the cumulative shut-in of gas production is  
19 approximately eleven percent of the yearly gas production in the Gulf of Mexico; and

20 WHEREAS, due to hurricanes Katrina and Rita, Louisiana has suffered loss of life  
21 and tremendous devastation to its economy, its citizens, infrastructure, and coastal  
22 landscape; and

23 WHEREAS, Louisiana's Revenue Estimating Conference estimates the budget  
24 shortfall to be approximately nine hundred seventy million dollars, and the loss of fees and  
25 self-generated revenue could increase the shortfall to one billion five hundred million  
26 dollars; and

27 WHEREAS, the governor of Louisiana has reduced state agency spending by five  
28 hundred million dollars; and

29 WHEREAS, the state has provided ten million dollars from our Rapid Response  
30 Fund for short-term, interest-free loans to struggling businesses, and granted the full Interim

1 Emergency Fund in the amount of sixteen million dollars to local governments in order for  
2 the governments' vital services to operate; and

3 WHEREAS, Louisiana has paid out approximately three hundred million dollars in  
4 unemployment benefits to hurricane affected employees; and

5 WHEREAS, Louisiana has established a Rainy Day Fund that is worth  
6 approximately four hundred sixty million dollars, and the state is in the process of using at  
7 least one-third of this fund to balance the state budget; and

8 WHEREAS, in this special session the Louisiana legislature along with the governor  
9 are considering other options for balancing the budget, increasing revenues, and funding the  
10 massive clean-up, rebuilding, and restoration of southern Louisiana; and

11 WHEREAS, hurricanes Katrina and Rita turned approximately one hundred square  
12 miles of southeast Louisiana coastal wetlands into open water, and destroyed more wetlands  
13 east of the Mississippi River in one month than experts estimated to be lost in over forty-five  
14 years; and

15 WHEREAS, monies are desperately needed to fund the state's clean-up, rebuilding,  
16 and restoration of southern Louisiana; and

17 WHEREAS, the state of Louisiana and its citizens are in a financial crisis; and

18 WHEREAS, in order to rebuild the state of Louisiana and protect its citizens, the  
19 state needs a significant, consistent and ongoing stream of revenue; and

20 WHEREAS, the extension of Louisiana's seaward boundary into the Gulf of Mexico  
21 for twelve geographical miles will provide such stream of revenue.

22 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana memorializes  
23 the Congress of the United States to extend Louisiana's seaward boundary in the Gulf of  
24 Mexico to twelve geographical miles.

25 BE IT FURTHER RESOLVED that a copy of this Resolution shall be transmitted  
26 to the secretary of the United States Senate and the clerk of the United States House of  
27 Representatives and to each member of the Louisiana delegation to the United States  
28 Congress.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by J. W. Wiley.

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DIGEST

Memorializes Congress to extend Louisiana's seaward boundary in the Gulf of Mexico to twelve geographical miles.