CONFERENCE COMMITTEE REPORT

SB 249

2017 Regular Session

Chabert

June 8, 2017

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill No. 249 by Senator Chabert, recommend the following concerning the Engrossed bill:

- 1. That House Committee Amendments Nos. 1, 2, 3, 4, and 5 proposed by the House Committee on Appropriations and adopted by the House of Representatives on June 1, 2017, be adopted.
- 2. That House Committee Amendment No. 6 proposed by the House Committee on Appropriations and adopted by the House of Representatives on June 1, 2017, be rejected.
- 3. That House Floor Amendments Nos. 1, 2, and 3 proposed by Representative Connick and adopted by the House of Representatives on June 5, 2017, be rejected.
- 4. That the following amendment to the engrossed bill be adopted:

AMENDMENT NO. 1

On page 2, between lines 8 and 9, insert the following:

"(c) The authority may offset the funds allocated for hurricane protection projects as provided in Subparagraph (a) of this Paragraph with funds from other available sources.

(d) In the event the authority is unable to meet the allocations as provided in Subparagraph (a) of this Paragraph in any fiscal year, the authority may modify the allocation for that fiscal year. No modification shall be made without prior approval of the board and the Joint Legislative Committee on the Budget.

(e) Any revenues received by the state as provided in this Paragraph and allocated to a levee district shall only be utilized by a levee district for construction, and operations and maintenance of hurricane protection projects."

Respectfully submitted,

Senators:

Senator Norby Chabert

Senator Eric LaFleur

Senator R.L. Bret Allain, II

Representatives:

Representative Stuart Bishop

Representative Cameron Henry

Representative Jerome Zeringue

The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

CONFERENCE COMMITTEE REPORT DIGEST

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Keyword and summary of the bill as proposed by the Conference Committee

FUNDS/FUNDING. Provides for disbursement of certain revenue from the Coastal Protection and Restoration Fund for hurricane protection purposes. (7/1/17)

Report adopts House amendments to:

- 1. Specify that <u>proposed law</u> provides for allocations rather than dedications of certain revenues for hurricane protection projects.
- 2. Change the allocation percentages for hurricane protection projects.

Report rejects House amendments which would have:

- 1. Provided modification of the allocation of revenue, with certain approvals, if the Coastal Protection and Restoration Authority is unable to meet the allocations in proposed law in any fiscal year.
- 2. Removed use of monies for operation and requires that monies be allocated solely for construction and maintenance of hurricane protection projects and prohibited use of monies for administrative costs or other expenses not related to construction and maintenance of the projects.

Report amends the bill to:

- 1. Provide modification of the allocation of revenue, with certain approvals, if the Coastal Protection and Restoration Authority is unable to meet the allocations in proposed law in any fiscal year.
- 2. Require that revenues allocated to a levee district shall only be utilized for construction, and operations and maintenance of hurricane protection projects.

Digest of the bill as proposed by the Conference Committee

<u>Proposed law</u> provides that, beginning with FY 2022, a portion of the total federal revenues received by the state generated from Outer Continental Shelf oil and gas activity shall be allocated solely for construction and maintenance of hurricane protection projects that are included in or consistent with the master plan as follows:

- (1) For FY 2022 through 2024, a minimum of 40%.
- (2) For FY 2025 through 2027, a minimum of 45%.
- (3) For FY 2028 and subsequent fiscal years, a minimum of 50%.

<u>Proposed law</u> further provides that, if the total federal revenues received by the state generated from Outer Continental Shelf oil and gas activity are less than \$100 million in any fiscal year, then the minimum allocations shall not apply.

<u>Proposed law</u> authorizes the Coastal Protection and Restoration Authority (authority) to offset the funds allocated for hurricane protection projects in <u>proposed law</u> with funds from other available sources.

<u>Proposed law</u> provides that if the authority is unable to meet the allocations in <u>proposed law</u> in any fiscal year, the authority may modify the allocation for that fiscal year, subject to prior

approval of the Coastal Protection and Restoration Authority Board and the Joint Legislative Committee on the Budget.

<u>Proposed law</u> requires that revenues received by the state and allocated to a levee district be utilized exclusively for construction, and operations and maintenance of hurricane protection projects.

Effective July 1, 2017.

(Adds R.S. 49:214.5.4(E)(5))