



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: HB 812 HLS 12RS 433
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Table with 2 rows and 2 columns. Row 1: Date: May 5, 2012 10:51 AM, Author: CHAMPAGNE. Row 2: Dept./Agy.: Office of Coastal Protection and Restoration, Analyst: Evelyn McWilliams. Row 3: Subject: Const. Amend. dedicating Deepwater Horizon monies.

FUNDS/FUNDING OR SEE FISC NOTE GF RV Page 1 of 1
(Constitutional Amendment) Requires that any monies received by the state from lawsuits arising from the Deepwater Horizon oil spill shall be deposited into the Coastal Protection and Restoration Fund
Provides for a constitutional amendment to be submitted to voters at the November 6, 2012 election that requires any state monies received from lawsuits arising out of the Deepwater Horizon oil spill be deposited into the Coastal Protection and Restoration Fund. The enabling legislation is HB 838 of the 2012 Regular Legislative Session.

Table with 7 columns: EXPENDITURES, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agcy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total. Similar structure for REVENUES.

EXPENDITURE EXPLANATION
There is no anticipated direct material effect on governmental expenditures as a result of this measure. The proposed bill provides for a constitutional amendment to be submitted to voters at the November 6, 2012 election that requires any state monies received from lawsuits arising out of the Deepwater Horizon oil spill be deposited into the Coastal Protection and Restoration Fund. The November 6, 2012 election is a statewide election, when all precincts in the state are scheduled to be opened. The costs for the November 6th election, as well as the statewide election scheduled in December 2012, are included in the FY 13 recommended budget. As a regular practice, the Secretary of State budgets for up to 10 constitutional amendments for the fall statewide elections.

REVENUE EXPLANATION
The proposed legislation will have an indeterminable impact on state revenues. The Legislative Fiscal Office (LFO) cannot anticipate the amount of revenue the state may receive from lawsuits filed in response to the Deepwater Horizon oil spill that began April 20, 2010.
The amount and duration of any potential settlement proceeds received by the state are dependent on the final settlement agreement approved by the courts. Thus, no determination can be made as to whether such proceeds would be considered one-time non-recurring revenue or recurring revenue. Ultimately, the proposed legislation dedicates the future settlement proceeds into the Coastal Protection & Restoration Fund. Absent this legislation, proceeds from the legal settlement would have presumably been deposited into the state general fund.
To date, the attorney general's office reports the state has received \$6.7 million settlement proceeds from the Deepwater Horizon litigation. The \$6.75 million is penalty related and will be deposited directly into the Department of Environmental Quality's Hazardous Waste Site Cleanup Fund.