

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 812** HLS 12RS 433

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 15, 2012 6:53 AM	Author: CHAMPAGNE
Dept./Agy.: Office of Coastal Protection and Restoration	Analyst: Evelyn McWilliams
Subject: Const. Amend. dedicating Deepwater Horizon monies	

FUNDS/FUNDING EG SEE FISC NOTE GF RV See Note 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 violations of the Federal Clean Water Pollution Control Act associated with the Deepwater Horizon oil spill be deposited into the Coastal Protection and Restoration Fund for integrated coastal protection efforts, including coastal restoration, hurricane protection and improving the resiliency of the Louisiana coastal area affected by the Deepwater Horizon oil spill. The enabling legislation is HB 838 of the 2012 Regular Legislative Session.

EXPENDITURES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2012-13	2013-14	2014-15	2015-16	2016-17	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

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 violations of the Federal Clean Water Pollution Control Act associated with 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 violations of the Federal Clean Water Pollution Control Act associated with 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 \$6.75 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.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	<i>Evan Brasseaux</i>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	<input type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}		
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}		Evan Brasseaux Staff Director