
DIGEST

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HB 55 Original

2017 Regular Session

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Abstract: Removes the prohibition of the levy of additional tax or license on gas and authorizes the levy of a tax, fee, permit, or license on natural gas transported in this state, and establishes the Fair Share Fund.

Present constitution authorizes taxes to be levied on natural resources severed from the soil or water, to be paid proportionately by the owners at the time of severance. Taxes on natural resources may be predicated upon either the quantity or value of the products at the time and place of severance.

Present constitution prohibits further or additional tax or license from being levied or imposed upon oil, gas, or sulphur leases or rights.

Proposed constitutional amendment changes present constitution by removing the prohibition on further levy of a tax or license on gas.

Proposed constitutional amendment authorizes the levy of a tax, fee, permit, or license on natural gas transported in this state.

Proposed constitutional amendment establishes the Fair Share Fund as a special fund in the state treasury to provide financial support to coastal restoration efforts in this state, provide financial support for state initiatives for the improvement of transportation systems in La., provide a dedicated, recurring source of revenues to state universities for the research and development of alternative fuel sources, and to provide payments against the unfunded accrued liability of the public retirement systems.

Proposed constitutional amendment requires that the avails of the tax or fee levied on natural gas transported in the state be deposited into the Fair Share Fund. Further requires the treasurer to make distributions from the fund on the last day of Dec. and June of each year as follows:

- (1) 33% of the balance in the fund shall be transferred and credited to the Coastal Protection and Restoration Fund.
- (2) 33% of the balance in the fund shall be transferred and credited to the state general fund; however, no less than 10% of these monies shall be appropriated by the legislature to state universities to provide a dedicated, recurring source of revenues for the research and development of alternative fuel sources.

- (3) 17% of the balance in the fund shall be transferred and credited to the Transportation Trust Fund.
- (4) 17% of the balance in the fund shall be transferred and credited to the state general fund for the sole purpose of providing payments against the unfunded accrued liability of the public retirement systems which are in addition to any payments required for the annual amortization of the unfunded accrued liability of the public retirement systems in present constitution.

Effective Jan. 1, 2018.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 14, 2017.

(Amends Art. VII, §4(B); Adds Art. VII, §10.17)