

2020 Second Extraordinary Session

HOUSE BILL NO. 75

BY REPRESENTATIVE MCFARLAND AND SENATOR CATHEY

AGRICULTURE/FOREST COMR: Provides relative to the disposition of timber severance taxes (Item #34)

1 AN ACT

2 To amend and reenact the heading of Part II-A of Title 3 of the Louisiana Revised Statutes
3 of 1950 and R.S. 3:4321(C) and (D) and to enact R.S. 3:4321(E), relative to the
4 severance tax on timber; to modify the disposition of the portion of the severance tax
5 on timber allocated to the state general fund; to create the "Wildfire Suppression
6 Subfund"; to provide for the use of monies in the subfund; to provide for the
7 appointment of forest firefighters within the office of forestry; to provide for an
8 effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. The heading of Part II-A of Title 3 of the Louisiana Revised Statutes of
11 1950 and R.S. 3:4321(C) and (D) are hereby amended and reenacted and R.S. 3:4321(E) is
12 hereby enacted to read as follows:

13 PART II-A. FOREST PROTECTION ~~ASSESSMENT~~ FUND

14 §4321. Forest protection assessment; Forest Protection Fund and Subfund;
15 disposition of funds

16 * * *

17 C.(1) After compliance with the requirements of Article VII, Section 9(B)
18 of the Constitution of Louisiana, relative to the Bond Security and Redemption Fund,
19 and prior to monies being placed in the state general fund, an amount equal to that
20 deposited as required ~~herein~~ in Subsection B of this Section shall be credited to a

1 special fund hereby created in the state treasury to be known as the "Forest
2 Protection Fund" hereafter in this Section, the "fund".

3 ~~D.~~ (2) The monies in the fund, exclusive of monies in the Wildfire
4 Suppression Subfund, shall be expended by the Department of Agriculture and
5 Forestry for the acquisition and maintenance of equipment for the protection of
6 forest lands from damage by fire or other causes and only in the amounts
7 appropriated annually by the legislature. All unexpended and unencumbered monies
8 in the fund at the end of the fiscal year, exclusive of monies in the Wildfire
9 Suppression Subfund, shall revert to the Louisiana Agricultural Finance Authority.

10 D.(1) There is hereby established in the state treasury a special subfund in
11 the Forest Protection Fund to be known as the "Wildfire Suppression Subfund",
12 hereafter in this Subsection, the "subfund".

13 (2) Funds equal to twenty-five percent of that portion of the severance tax
14 on timber allocated to the state by Article VII, Section 4(D) of the Constitution of
15 Louisiana shall be deposited immediately upon receipt into the state treasury.

16 (3) Beginning with the 2020-2021 Fiscal Year and for each fiscal year
17 thereafter, and after compliance with the requirements of Article VII, Section 9(B)
18 of the Constitution of Louisiana relative to the Bond Security and Redemption Fund,
19 and prior to monies being placed in the state general fund, an amount equal to that
20 deposited as required by this Subsection shall be credited to the subfund. The
21 subfund shall be used solely as provided in Paragraph (4) of this Subsection and only
22 in the amounts appropriated by the legislature. Monies in the subfund shall be
23 invested by the state treasurer in the same manner as monies in the state general fund
24 and interest earned on the investment of these monies shall be credited to the
25 subfund. All unexpended and unencumbered monies in the subfund at the end of the
26 fiscal year shall remain in the subfund.

27 (4) The monies in the subfund shall be used solely by the department for
28 forest fire suppression with an intent that money is primarily used for the purpose of
29 appointment and retention of forest firefighters within the office of forestry.

1 E. No amount appropriated pursuant to this Section shall displace, replace,
 2 or supplant appropriations from the state general fund for the Louisiana Department
 3 of Agriculture and Forestry. This Subsection shall mean that no appropriation for
 4 any fiscal year from the Forest Protection Fund and Wildfire Suppression Subfund
 5 shall be made for any purpose for which a general fund appropriation was made in
 6 the previous year unless the total appropriations for the fiscal year from the state
 7 general fund for such purpose exceed general fund appropriations for the previous
 8 year.

9 Section 2. This Act shall become effective upon signature by the governor or, if not
 10 signed by the governor, upon expiration of the time for bills to become law without signature
 11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 13 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 75 Engrossed

2020 Second Extraordinary Session

McFarland

Abstract: Creates the "Wildfire Suppression Subfund" (Wildfire Subfund) and provides for the disposition of monies allocated to the state general fund from the severance tax on timber to be deposited into the subfund for use by the La. Dept. of Agriculture and Forestry (LDAF) in forest fire suppression.

Present law creates the "Forest Protection Fund" within the state treasury. Requires monies deposited into the Forest Protection Fund be used for acquisition and maintenance of equipment used for the protection of forest lands from damage by fire or other causes. Proposed law creates the Wildfire Subfund within the Forest Protection Fund and exempts monies in the Wildfire Subfund from the uses mandated for the Forest Protection Fund.

Present law requires that any unexpended or unencumbered monies in the Forest Protection Fund at the end of the year revert to the La. Agricultural Finance Authority. Proposed law retains present law but exempts monies in the Wildfire Subfund from this reversion.

Present law levies an annual assessment of eight cents per acre on each acre of timberland in the state. Requires the assessment to be deposited into the Forest Protection Fund. Proposed law retains present law.

Proposed law requires the state treasury to credit an amount equal to 25% of the severance tax on timber allocated to the state pursuant to Article VII, Section 4(D) into the Wildfire Subfund beginning with the 2020-2021 Fiscal Year.

Proposed law requires LDAF to spend the monies in the Wildfire Subfund as appropriated by the legislature on fire suppression with an intent that the money is used for the appointment and retention of forest firefighters.

Proposed law provides that monies in the Wildfire Subfund be invested in the same manner as monies in the state general fund and that any interest earned is credited to the subfund. Proposed law requires that any unexpended or unencumbered monies in the Wildfire Subfund at the end of the fiscal year remain in the subfund.

Proposed law prohibits any money appropriated from the Forest Protection Fund and Wildfire Subfund from displacing, replacing, or supplanting appropriations from the state general fund for LDAF for any purpose for which a general fund appropriation was made in the previous year unless the total appropriations for the fiscal year from the state general fund for such purpose exceed general fund appropriations for the previous year.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 3:4321(C) and (D); Adds R.S. 3:4321(E))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Exclude unexpended and unencumbered monies in the subfund created pursuant to proposed law from being transferred to the La. Agricultural Finance Authority at the end of each year.
2. Exempt monies in the subfund created pursuant to proposed law from present law uses for the Forest Protection Fund.