

2021 Regular Session

SENATE BILL NO. 167

BY SENATOR ALLAIN

FUNDS/FUNDING. Provides for the transfer and use of funds from the American Rescue Plan Act to the Oilfield Site Restoration Fund. (gov sig)

1 AN ACT
2 To amend and reenact R.S. 30:86(A), (C), and the introductory paragraph of (E), and to
3 enact R.S. 30:86(D)(9) and (E)(7), relative to the Louisiana Oilfield Site Restoration
4 Fund; to provide for the deposit of monies from the state's allocation from the
5 American Rescue Plan Act; to provide for the sources and uses of the Oilfield Site
6 Restoration Fund; to provide for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 30:86(A), (C), and the introductory paragraph of (E) are hereby
9 amended and reenacted and R.S. 30:86(D)(9) and (E)(7) are hereby enacted to read as
10 follows:

11 §86. Oilfield Site Restoration Fund

12 A. (1) There is hereby established a fund in the custody of the state treasurer
13 to be known as the Oilfield Site Restoration Fund, hereafter referred to as the "fund",
14 into which the state treasurer shall, each fiscal year, deposit the revenues received
15 from the collection of the monies enumerated in Subsection D of this Section, after
16 those revenues have been deposited in the Bond Security and Redemption Fund.

17 (2) Out of the funds remaining in the Bond Security and Redemption Fund,

1 after a sufficient amount is allocated from that fund to pay all the obligations secured
2 by the full faith and credit of the state that become due and payable within each fiscal
3 year, the treasurer shall pay into the Oilfield Site Restoration Trust Fund an amount
4 equal to the revenues generated from collection of the fees provided for in
5 Subsection D of this Section. **The treasurer shall also transfer into the Oilfield**
6 **Site Restoration Fund the amount of thirty million dollars in federal funding**
7 **from the first funds received by the state from the American Rescue Plan Act.**
8 Such funds shall constitute a special custodial trust fund which shall be administered
9 by the secretary, who shall make disbursements from the fund solely in accordance
10 with the purposes and uses authorized by this Part.

11 * * *

12 C. The treasurer of the state of Louisiana shall certify, to the secretary of the
13 Department of Revenue, the date on which the balance in the fund equals or exceeds
14 fourteen million dollars. The oilfield site restoration fees on oil and gas provided for
15 in R.S. 30:87 shall not be collected or required to be paid on or after the first day of
16 the second month following the certification, except that the secretary of the
17 Department of Revenue shall resume collecting the fees on receipt of a certification
18 from the treasurer that, based on the expenditures or commitments to expend monies,
19 the fund has fallen below ten million dollars. The secretary of the Department of
20 Revenue shall continue collecting the fees until collections are again suspended in
21 the manner provided by this Section. The sums in the site-specific trust accounts
22 within the fund, the sums collected from financial security instruments required by
23 rules and regulations adopted by the assistant secretary pursuant to R.S. 30:4(R) and
24 4.3, **sums deposited from the American Rescue Plan Act pursuant to Paragraph**
25 **(D)(9) of this Section,** and sums generated from the issuance of bonds pursuant to
26 R.S. 30:83.1 shall not be counted to determine the balance of the fund for the
27 purposes of this Subsection.

28 D. The following monies shall be placed into the Oilfield Site Restoration
29 Fund:

a specific well or wells, and sums generated from bonds. Proposed law adds \$30 million of the monies deposited to the fund from the state's allocation from the American Recovery Plan Act to the list of funds not used to calculate the cap of the Fund.

Proposed law provides that if it is determined that assessing and restoring orphan oilfield sites is not an allowable use of American Recovery Plan funds, any monies transferred to the Oilfield Site Restoration Fund shall revert to the state treasury to be used for other qualifying purposes under the American Rescue Plan.

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

(Amends R.S. 30:86(A), (C), and (E)(intro para); adds R.S. 30:86(D)(9) and (E)(7))