

**LEGISLATIVE FISCAL OFFICE**

**Fiscal Note**



Fiscal Note On: **HB 139** HLS 051ES 389  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Sub. Bill For.:  
 Proposed Amd.:

<b>Date:</b> November 14, 2005 6:25 AM	<b>Author:</b> ALARIO
<b>Dept./Agy.:</b> Natural Resources	
<b>Subject:</b> Wetlands Conservation and Restoration Fund	<b>Analyst:</b> Stephanie C. Blanchard

FUNDS/FUNDING OR SEE FISC NOTE FF RV Page 1 of 1

(Constitutional Amendment) Changes the name of the Wetlands Conservation and Restoration Fund and provides for the deposit of certain federal revenues into the fund (Item #3)

The proposed constitutional amendment changes the name of the Wetlands Conservation and Restoration Fund to the Coastal Protection and Restoration Fund. Relative to coastal protection and restoration provides that, subject to "8g" and Bond Security and Redemption Fund requirements, federal revenues received by the State generated from Outer Continental Shelf (OCS) oil and gas activity and eligible, as provided by federal law, to be used for the purposes of the proposed law shall be deposited and credited by the Treasurer to the Coastal Protection and Restoration Fund. Further provides that such federal revenues credited to the fund shall be used only for the purposes of coastal wetlands conservation, coastal restoration, hurricane protection, and infrastructure directly impacted by coastal wetland losses. Provides that the maximum fund balance from mineral revenues does not apply to OCS revenues. Specifies submission of an amendment to the voters at the next statewide election. Further specifies that Act 513 of the 2005 Regular Session is repealed, the amendment to the Constitution proposed in such Act is withdrawn, and the Secretary of State is ordered not to include the proposition contained in that Act on the ballot for the next statewide election.

<b>EXPENDITURES</b>	<b><u>2005-06</u></b>	<b><u>2006-07</u></b>	<b><u>2007-08</u></b>	<b><u>2008-09</u></b>	<b><u>2009-10</u></b>	<b><u>5 -YEAR TOTAL</u></b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b><u>2005-06</u></b>	<b><u>2006-07</u></b>	<b><u>2007-08</u></b>	<b><u>2008-09</u></b>	<b><u>2009-10</u></b>	<b><u>5 -YEAR TOTAL</u></b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure, except for putting this measure on a ballot in the next statewide election.

According to the Secretary of State, if the proposed amendment is the only item on the ballot the cost of a statewide election would be \$3.5 million. However, if there are other items on the ballot the cost to add this amendment would be a maximum of \$125,000. Costs are related to printing absentee, sample, and machine ballots, the printing of election supplies, the packing/shipping of election supplies, and the cost of publishing the proposed amendment in the 64 parish journals. The cost would be reduced by the proration of costs with other governing authorities who may have items on the ballot.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. Currently there is a constitutional amendment pending a vote of the people (Act 513 of 2005) that would deposit any income derived from outer continental shelf oil and gas activity as provided by federal law into the Wetlands Conservation and Restoration Fund and establishes its dedicated uses. This new constitutional amendment changes the name of the fund to the "Coastal Protection and Restoration Fund" and adds a new allowable use to the fund, "hurricane protection and infrastructure directly impacted by coastal wetland losses."

While additional federal funding for coastal restoration has been made available, it is not specifically "federal revenues received by the State generated from outer continental shelf oil and gas production" and therefore may or may not be deposited into the fund.

Senate

Dual Referral Rules

House

13.5.1 >= \$500,000 Annual Fiscal Cost

6.8(F) >= \$500,000 Annual Fiscal Cost

13.5.2 >= \$500,000 Annual Tax or Fee Change

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

**Robert E. Hosse**  
**LFO Staff Director**