

1 authority of the parish in which severance or production occurs. ~~The initial~~
 2 ~~maximum amount remitted to the parish in which severance or production occurs~~
 3 ~~shall not exceed eight hundred fifty thousand dollars. The maximum amount~~
 4 ~~remitted shall be increased each July first, beginning in 2008, by an amount equal to~~
 5 ~~the average annual increase in the Consumer Price Index for all urban consumers, as~~
 6 ~~published by the United States Department of Labor, for the previous calendar year,~~
 7 ~~as calculated and adopted by the Revenue Estimating Conference.~~ Notwithstanding
 8 any contrary provision in this constitution, the legislature may increase by law the
 9 amount of severance tax collections on all natural resources other than sulphur,
 10 lignite, and timber to be remitted to the governing authority of a parish.

11 * * *

12 Section 2. Be it resolved by the Legislature of Louisiana, two-thirds of the members
 13 elected to each house concurring, that there shall be submitted to the electors of the state of
 14 Louisiana, for their approval or rejection in the manner provided by law, a proposal to repeal
 15 Article VII, Section 4(D)(4) of the Constitution of Louisiana.

16 Section 3. Be it further resolved that this proposed amendment shall be submitted
 17 to the electors of the state of Louisiana at the statewide election to be held on November 3,
 18 2020.

19 Section 4. Be it further resolved that on the official ballot to be used at the election,
 20 there shall be printed a proposition, upon which the electors of the state shall be permitted
 21 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
 22 follows:

23 Do you support an amendment to authorize one-fifth of the severance tax
 24 collected on all natural resources other than sulphur, lignite, and timber to be
 25 remitted to parish governing authorities, to authorize the legislature to
 26 increase by law the amount of such severance tax remitted to parish
 27 governing authorities, to remove provisions establishing a maximum amount
 28 of severance tax to be remitted to parish governing authorities, to remove
 29 contingent provisions setting the amount of such severance tax remitted to

1 parish governing authorities, and to remove limitations on the use of
 2 severance tax remitted to parish governing authorities? (Amends Article VII,
 3 Section 4(D)(3) and Repeals Article VII, Section 4(D)(4))

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 444 Original

2020 Regular Session

Bagley

Abstract: Provides for the amount of certain severance tax collections remitted to parish governing authorities and authorizes the legislature to increase the amount remitted to parish governing authorities in law.

Present constitution provides that 1/5 of the severance tax on all natural resources other than sulphur, lignite, or timber shall be remitted to the governing authority of the parish in which severance or production occurs. The maximum amount remitted to the parish in which severance or production occurs was initially set at \$850,000, and beginning in July 2008, the maximum amount has increased with inflation.

Present constitution provides that effective April 1, 2012, if the last official forecast of revenues adopted for a fiscal year before the start of that fiscal year contains an estimate of severance tax revenues from natural resources other than sulphur, lignite, or timber that exceeds the FY 2008-2009 actual severance tax revenues from such natural resources, then the maximum amount of severance tax collected and remitted to local governing authorities shall increase to \$1.85 million in the first year and in all subsequent fiscal years is \$2.85 million. In July of every year the maximum amount remitted to the parish shall increase in accordance with inflation.

Proposed constitutional amendment retains the 1/5 allocation of severance tax to be remitted to parish governing authorities in the present constitution.

Proposed constitutional amendment authorizes the legislature to increase this amount by law.

Proposed constitutional amendment removes the maximum amount of severance tax collections to be remitted to parish governing authorities.

Present constitution further provides that in the event the maximum increases under these provisions, at least 50% of the excess severance tax remitted to a parish be used only within the parish for the same purposes as money received from the Parish Transportation Fund.

Present constitution also provides that after the allocations of severance tax to the Bond Security and Redemption Fund, to the parish, to the Conservation Fund and to the Coastal Protection and Restoration Fund have been satisfied, an amount equal to 50% of the revenues collected within the Atchafalaya Basin, not to exceed \$10 million, is to be deposited into the Atchafalaya Basin Conservation Fund. The money in the fund shall be used exclusively to fund projects contained in the state or federal basin master plans or an annual basin plan or to provide match for the Atchafalaya Basin Floodway System, Louisiana Project.

Proposed constitutional amendment repeals present constitution.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 3, 2020.

(Amends Const. Art. VII, §4(D)(3); Repeals Const. Art. VII, §4(D)(4))