

BY REPRESENTATIVE FONTENOT

COASTAL RES/COASTAL ZONE: Memorializes the U.S. Congress and the Louisiana congressional delegation to remove the revenue sharing cap on the Gulf of Mexico Energy Securities Act of 2006 for Gulf producing states and to take such actions as are necessary to rectify the federal revenue sharing inequities between energy producing states

2 To memorialize the United States Congress and the Louisiana congressional delegation to
3 remove the revenue sharing cap on the Gulf of Mexico Energy Security Act of 2006
4 (GOMESA) for Gulf producing states and to take such actions as are necessary to
5 rectify the federal revenue sharing inequities between energy producing states.

6 WHEREAS, many of the energy resources enjoyed by the entire United States are
7 dependent upon the health of Gulf Coast ecosystems which provide access to those resources
8 and related infrastructure and protection for communities that house its workforce; and

9 WHEREAS, Louisiana is home to thirty percent of the nation's wetlands and ninety
10 percent of its wetlands loss, a crisis that impacts communities, ecosystems, and the very
11 economic engines that contribute to the nation's energy security; and

12 WHEREAS, under the Mineral Lands Leasing Act of 1920, fifty percent of the
13 mineral revenues generated from federal lands onshore are shared with the host state to
14 offset impacts of the federal mineral development; this includes royalties, severance taxes,
15 and bonuses, all under no cap; and

WHEREAS, under GOMESA, Gulf producing states, including Texas, Louisiana, Mississippi, and Alabama, share only thirty-seven and one half percent of the mineral revenues generated by oil and gas production from active leases since 2006 in federal waters and the Outer Continental Shelf (OCS); and

1 WHEREAS, currently annual GOMESA revenues for Gulf producing states are
2 capped at three hundred seventy-five million dollars per year, apportioned to the mineral
3 activity supported by each Gulf state; and

4 WHEREAS, according to the most recent data from the United States Energy
5 Information Administration (EIA), Louisiana, within its territorial boundaries, is the ninth
6 largest producer of oil in the United States, but it is the second largest oil producer in the
7 country if oil production from adjacent federal waters is included; and

8 WHEREAS, according to the most recent data from the EIA, Louisiana, within its
9 territorial boundaries, is the fourth largest producer of gas in the United States, but it is the
10 second largest gas producer in the country if gas production from adjacent federal waters is
11 included; and

12 WHEREAS, Louisiana contributes to the United States Strategic Petroleum Reserve
13 with two facilities located in the state consisting of twenty-nine caverns capable of holding
14 nearly three hundred million barrels of crude oil; and

15 WHEREAS, with a number of onshore liquefied natural gas (LNG) facilities and
16 others already permitted, more LNG facilities than any other state in the country, and the
17 Louisiana Offshore Oil Port, the nation's only deepwater oil port, Louisiana plays an
18 essential role in the movement of natural gas and crude oil from the United States Gulf Coast
19 region to markets throughout the country and the world; and

20 WHEREAS, the majority of the oil and gas production from the Gulf of Mexico
21 enters the United States through coastal Louisiana with all of the infrastructure necessary to
22 receive and transport such production; and

23 WHEREAS, because Louisiana is losing more coastal wetlands than any other state
24 in the country, in 2006 the people of Louisiana overwhelmingly approved a constitutional
25 amendment dedicating revenues received from OCS oil and gas activity through GOMESA
26 to the Coastal Protection and Restoration Fund for the purposes of coastal protection,
27 including conservation, coastal restoration, hurricane protection, and infrastructure directly
28 impacted by coastal wetland losses; and

29 WHEREAS, the state of Louisiana has developed, through a science-based and
30 stakeholder-involved process, a "Comprehensive Master Plan for a Sustainable Coast" which

1 identifies and prioritizes the most efficient and effective projects in order to meet the state's
2 critical coastal protection and restoration needs and has received many accolades from the
3 country's scientific community; and

4 WHEREAS, the Coastal Protection and Restoration Authority is making great
5 progress implementing the projects contained in the "Comprehensive Master Plan for a
6 Sustainable Coast" with all available funding, projects that are essential to the protection of
7 the infrastructure that is critical to the energy needs of the United States; and

8 WHEREAS, for the state of Louisiana and our coastal parishes, the GOMESA
9 revenue stream is a critical recurring source of revenue that allows our state and coastal
10 parishes to address our coastal protection and restoration needs to support our working coast.

11 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
12 memorialize the United States Congress and the Louisiana congressional delegation to
13 remove the revenue sharing cap on the Gulf of Mexico Energy Security Act of 2006 for Gulf
14 producing states and to take such actions as are necessary to rectify the federal revenue
15 sharing inequities between coastal and interior energy producing states.

16 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
17 presiding officers of the Senate and the House of Representatives of the Congress of the
18 United States of America and to each member of the Louisiana congressional delegation.

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)]

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