

2024 Regular Session

HOUSE BILL NO. 305

BY REPRESENTATIVE ORGERON

COASTAL RES/COASTAL ZONE: Provides relative to the disposition of funds derived from alternative energy production in the coastal area

1 AN ACT

2 To amend and reenact R.S. 49:214.5.4(E)(1), (3), (4)(introductory paragraph) and (b), and  
3 (5)(a)(introductory paragraph) and (b) and (F) and to enact R.S. 49:214.5.4(K),  
4 relative to proceeds from alternative energy production in the coastal area; to provide  
5 for disposition of revenues; to provide for restrictions on the use of revenues; to  
6 provide for effectiveness; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 49:214.5.4(E)(1), (3), (4)(introductory paragraph) and (b), and  
9 (5)(a)(introductory paragraph) and (b) and (F) are hereby amended and reenacted to read as  
10 follows:

11 §214.5.4. Funding and resource allocation

12 \* \* \*

13 E.(1) Subject to Article VII, Sections 9(B) and 10.1 of the Constitution of  
14 Louisiana, in each fiscal year, the federal revenues that are received by the state  
15 generated from Outer Continental Shelf energy production, including but not limited  
16 to oil and gas activity, wind energy, solar energy, tidal energy, wave energy,  
17 geothermal energy, and other alternative or renewable energy production or sources,  
18 and eligible, as provided by federal law, to be used for the purposes provided in this

1 Subsection shall be deposited and credited by the treasurer to the Coastal Protection and  
2 Restoration Fund.

3 \* \* \*

4 (3) In each year, no more than ten percent of the federal revenues received  
5 by the state generated from Outer Continental Shelf ~~oil and gas activity~~ energy  
6 production may be used for the purposes of infrastructure directly impacted by  
7 coastal wetlands losses.

8 (4) In each fiscal year, at least two hundred thousand dollars but no more  
9 than seven percent of the federal revenues received by the state generated from Outer  
10 Continental Shelf ~~oil and gas activity~~ energy production may be used for  
11 administrative costs or fees. The provisions of this Paragraph shall not apply to the  
12 following:

13 \* \* \*

14 (b) Any securitization or other monetizing of all or any portion of the federal  
15 revenues received by the state generated from Outer Continental Shelf ~~oil and gas~~  
16 ~~activity~~ energy production.

17 \* \* \*

18 (5)(a) Beginning with Fiscal Year 2022, a portion of the total federal  
19 revenues received by the state generated from Outer Continental Shelf ~~oil and gas~~  
20 ~~activity~~ energy production shall be allocated solely for hurricane protection projects,  
21 including operation and maintenance, that are included in or consistent with the  
22 master plan as follows:

23 \* \* \*

24 (b) If the total federal revenues received by the state generated from Outer  
25 Continental Shelf ~~oil and gas activity~~ energy production are less than one hundred  
26 million dollars in any fiscal year, then the minimum allocations contained in  
27 Subparagraph (a) of this Paragraph shall not apply.

28 \* \* \*

1 F. The money in the fund shall be invested as provided by law and any  
 2 earnings realized on investment of money in the fund shall be deposited in and  
 3 credited to the fund. Revenues derived from integrated coastal protection programs,  
 4 projects, or activities shall be deposited in and credited to the fund. Money from  
 5 other sources, such as donations, appropriations, or dedications, may be deposited  
 6 in and credited to the fund; however, the balance of the fund which, exclusive of  
 7 federal revenues received as provided for in Subsection E of this Section and state  
 8 revenues as provided in Subsection K of this Section, consists of mineral revenues  
 9 from severance taxes, royalty payments, bonus payments, or rentals shall not exceed  
 10 five hundred million dollars. Any unexpended money remaining in the fund at the  
 11 end of the fiscal year shall be retained in the fund.

12 \* \* \*

13 Section 2. R.S. 49:214.5.4(K) is hereby enacted to read as follows:

14 \* \* \*

15 K.(1) Subject to Article VII, Sections 9(B) and 10.1 of the Constitution of  
 16 Louisiana, in each fiscal year, the revenues that are received by the state generated  
 17 upon state lands or waterbottoms located in the coastal area from alternative or  
 18 renewable energy production or sources, including but not limited to wind energy,  
 19 solar energy, tidal energy, wave energy, and geothermal energy, shall be deposited  
 20 and credited by the treasurer to the Coastal Protection and Restoration Fund.

21 (2) Such revenues shall be used only for the purposes of integrated coastal  
 22 protection, including but not limited to coastal wetlands conservation, coastal  
 23 restoration, hurricane protection, or for infrastructure directly impacted by coastal  
 24 wetlands losses.

25 (3) In each year, no more than ten percent of the revenues received by the  
 26 state generated upon state lands or waterbottoms located in the coastal area from  
 27 alternative or renewable energy production or sources, including but not limited to  
 28 wind energy, solar energy, tidal energy, wave energy, and geothermal energy, may



that are included in or consistent with the master plan. Proposed law changes present law requirement from revenues generated from oil and gas activities to revenues generated from energy production.

Proposed law provides that the revenues that are received by the state generated upon state lands or waterbottoms located in the coastal area from alternative or renewable energy production or sources are deposited and credited to the Coastal Protection and Restoration Fund and may be used only for the purposes of integrated coastal protection, including but not limited to coastal wetlands conservation, coastal restoration, hurricane protection, or for infrastructure directly impacted by coastal wetlands losses.

Proposed law further provides that in each year, no more than 10% of the revenues received by the state generated upon state lands or waterbottoms located in the coastal area from alternative or renewable energy production or sources may be used for the purposes of infrastructure directly impacted by coastal wetlands losses.

The provisions of proposed law regarding revenue generated upon state lands or waterbottoms from alternative or renewable energy production or sources are effective upon the governor's signature or upon expiration of the time for bills to become law without signature by the governor. Remaining provisions of proposed law are effective if and when the proposed amendment to Article VII contained in House Bill No. \_\_\_ of the 2023 Regular Session is adopted at a statewide election and becomes effective.

(Amends R.S. 49:214.5.4(E)(1), (3), (4)(intro. para.) and (b), and (5)(a)(intro. para.) and (b) and (F); Adds R.S. 49:214.5.4(K))