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**SENATE COMMITTEE AMENDMENTS**

Amendments proposed by Senate Committee on Finance to Reengrossed House Bill No. 636  
by Representative Danahay

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1 AMENDMENT NO. 1

2 Delete Amendment Nos. 1, 2, and 3 proposed by the Senate Committee on Revenue and  
3 Fiscal Affairs and adopted by the Senate on May 28, 2013

4 AMENDMENT NO. 2

5 On page 4, line 9, before "crude" insert "every person owning"

6 AMENDMENT NO. 3

7 On page 4, line 9, after "processing." insert "The person charged with the fee shall be the last  
8 owner of the crude oil prior to its transfer to the refinery or storage facility."

9 AMENDMENT NO. 4

10 On page 4, line 14, after "shall" insert "collect the fee from the owner of the crude oil and"

11 AMENDMENT NO. 5

12 On page 4, line 19, after "operator" insert "of the refinery"

13 AMENDMENT NO. 6

14 On page 4, line 23, change "state treasurer" to "coordinator"

15 AMENDMENT NO. 7

16 On page 4, line 24, after "finding" delete the remainder of the line, delete lines 25 through  
17 27, and on page 5, delete lines 1 through 5, and insert:

18 "that the balance in the fund is less than five million dollars and that an  
19 unauthorized discharge of oil in excess of one hundred thousand gallons has  
20 occurred within the previous twelve months as certified by the coordinator.  
21 In addition, the fee shall be levied at the rate of one-half cent per barrel if the  
22 coordinator certifies in writing to the secretary of the Department of Revenue  
23 that the balance in the fund is less than five million dollars due to  
24 expenditures from the fund under the authority of R.S. 30:2484(A)(1) or (2)  
25 or (3) or (4) or (7) so long as the expenditures under the authority of R.S.  
26 30:2484(A)(1) and (7) are for costs and contracts exclusive of administrative  
27 costs of the office of the coordinator."

28 AMENDMENT NO. 8

29 On page 5, delete lines 17 through 22 in their entirety and insert in lieu thereof the following:

30 "Section 3. Notwithstanding any other provision of law to the  
31 contrary, the fee levied by the provisions of R.S. 30:2485 shall be levied at  
32 the rate of one-half cent per barrel until December 31, 2015.

33 Section 4.A. The Oil Spill Interagency Council, established in R.S.  
34 30:2458, shall conduct a study of the Oil Spill Contingency Fund, its uses,  
35 revenues, and expenditures. The study shall include an assessment of the  
36 adequacy of the existing fee structure; identification of entities that might  
37 have the potential to create an oil spill that are currently not paying into the

1 fund; an assessment of the levels of oil spill risk associated with various oil  
2 activities including exploration, production, and transportation activities;  
3 consideration of any disparity in the payment of fees that may exist;  
4 evaluation of the implications of an automatic adjustment to the fee based on  
5 the consumer price index; an appraisal of the future funding needs of the  
6 state of Louisiana to properly represent the state's interests related to the  
7 Deepwater Horizon disaster; a review of oil spill funding mechanisms  
8 employed by other countries, states, and political subdivisions; and an  
9 examination of other relevant issues as determined by the council.

10 B. Not later than January 31, 2014, the council, acting through the  
11 oil spill coordinator, shall provide a report to the House Committee on  
12 Appropriations and the House Committee on Natural Resources and  
13 Environment and the Senate Committee on Finance and the Senate  
14 Committee on Natural Resources. The report shall include the council's  
15 findings and recommendations for possible modifications to the fee structure  
16 and mechanism of the Oil Spill Contingency Fund including  
17 recommendations for a fee mechanism and structure that fairly balances oil  
18 spill risks and potential oil spill implications with fee payments; a  
19 broad-based fee structure that includes payment by all potential sources of  
20 oil spills affecting Louisiana; a funding mechanism that achieves fund  
21 solvency without drastic fee increases beyond 2013 levels; consideration of  
22 an automatic fee adjustment for inflation; and appropriate funding for  
23 authorized uses through the Deepwater Horizon disaster.

24 Section 5. The provisions of Sections 4 and 5 of this Act shall  
25 become effective upon signature by the governor or lapse of time for  
26 gubernatorial action. The provisions of Sections 1, 2, and 3 of this Act shall  
27 become effective on July 1, 2014."