

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 228** HLS 15RS 9

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.: **w/ PROP HSE COMM AMD**

Sub. Bill For.:

|  |         |                             |
|--|---------|-----------------------------|
| <b>Date:</b> April 27, 2015  | 5:27 PM | <b>Author:</b> REYNOLDS     |
| <b>Dept./Agy.:</b> Wildlife and Fisheries                                  |         | <b>Analyst:</b> Zachary Rau |
| <b>Subject:</b> Dedicate Royalties for weevil production on Lake Bistineau |         |                             |

MINERALS/RIGHTS-ROYALTY OR -\$95,000 GF RV See Note Page 1 of 1

Dedicates a certain amount of mineral revenues from oil and gas production in and around Lake Bistineau to weevil production for control of giant salvinia in the lake

Proposed law dedicates a total of \$300,000 received by the Department of Natural Resources (DNR) from leases, bonuses, royalties, and rights-of-way on state water bottoms of Lake Bistineau, excluding water bottoms in the Loggy Bayou Wildlife Management Area, to fund a facility for weevil research and production as a means of controlling giant salvinia within the lake. These funds are to be deposited into the Lake Bistineau Management Account within the Conservation Fund. The account is newly created by this bill. No more than \$95,000 can be placed in the account in any given fiscal year.

Effective July 1, 2015 and terminates upon \$300,000 being expended from the Lake Bistineau Management Account.

| <b>EXPENDITURES</b> | <b>2015-16</b> | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> | <b>5 -YEAR TOTAL</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>\$0</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>2015-16</b> | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | (\$95,000)     | (\$95,000)     | (\$95,000)     | (\$15,000)     | \$0            | <b>(\$300,000)</b>   |
| Agy. Self-Gen.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Ded./Other          | \$95,000       | \$95,000       | \$95,000       | \$15,000       | \$0            | <b>\$300,000</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>\$0</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**

The Department of Natural Resources (DNR) will incur minor costs to modify its systems to properly allocate mineral royalties to the new Lake Bistineau Management Account within the Conservation Fund.

Management of Lake Bistineau currently falls under the authority of the LA Department of Wildlife & Fisheries (LDWF), and this bill represents an enhancement of those services by establishing a research station for weevil research on Lake Bistineau. LDWF currently produces weevils to control giant salvinia on Lake Bistineau using monies from the Aquatic Plant Account within the Conservation Fund. To date, LDWF has spent \$205,077 in FY 15 related to weevil production.

**REVENUE EXPLANATION**

The proposed legislation dedicates a total of \$300,000 received from leases, bonuses, royalties, and rights-of-way on state water bottoms of Lake Bistineau, excluding water bottoms in the Loggy Bayou Wildlife Management Area, to the Lake Bistineau Management Account within the statutorily dedicated Conservation Fund.

No more than \$95,000 can be placed in the Lake Bistineau Management Account in any given fiscal year. DNR currently remits all mineral royalties from leases on Lake Bistineau to the state general fund. This bill will sunset upon \$300,000 being expended from the Lake Bistineau Management Account.

In FY 14, DNR collected \$791,345 in mineral royalties from leases on Lake Bistineau. Currently state storage and water bottom lease revenues from Lake Bistineau total \$6,378 annually.

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|---|----------------------------|--------------|--|
| <u>Senate</u>   | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       |                            |              | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}                 |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} |                            |              | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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