

2016 Regular Session

SENATE BILL NO. 182

BY SENATOR WARD

FUNDS/FUNDING. Constitutional amendment to require deposit of certain mineral revenue into the Transportation Trust Fund. (2/3 - CA13s1(A))(7/1/17)

1 A JOINT RESOLUTION

2 Proposing to add Article VII, Section 28 of the Constitution of Louisiana, relative to revenue
3 and finance; to require the deposit of certain mineral revenue into the Transportation
4 Trust Fund; to provide for appropriation and use of the revenue; to provide an
5 effective date; and to specify an election for submission of the proposition to electors
6 and provide a ballot proposition.

7 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
8 elected to each house concurring, that there shall be submitted to the electors of the state, for
9 their approval or rejection in the manner provided by law, a proposal to add Article VII,
10 Section 28 of the Constitution of Louisiana, to read as follows:

11 **§28. Transportation Trust Fund; mineral revenues**

12 **Section 28.(A) After allocation of money to the Bond Security and**
13 **Redemption Fund as provided in Article VII, Section 9(B) of the Constitution**
14 **of Louisiana, beginning Fiscal Year 2017-2018 and each fiscal year thereafter,**
15 **the treasurer shall deposit in and credit to the Transportation Trust Fund the**
16 **amount of mineral revenues received by the state in excess of six hundred fifty**
17 **million dollars and less than nine hundred fifty million dollars.**

1 **(B) For the purpose of this Section, mineral revenues are revenues**
2 **received in each fiscal year by the state as a result of the production or**
3 **exploration for minerals, including severance taxes, royalty payments, bonus**
4 **payments, or rentals, and excluding any such revenues received by the state as**
5 **a result of grants or donations when the terms or conditions thereof require**
6 **otherwise, revenues derived from any tax on the transportation of minerals, and**
7 **deposits of mineral revenues:**

8 **(1) To the political subdivisions of the state as provided in Article VII,**
9 **Section 4, Paragraphs (D) and (E) of this constitution.**

10 **(2) To the Louisiana Wildlife and Fisheries Conservation Fund as**
11 **provided in Article VII, Section 10-A of this constitution.**

12 **(3) To the Louisiana Education Quality Trust Fund as provided in**
13 **Article VII, Section 10.1 of this constitution.**

14 **(4) To the Coastal Protection and Restoration Fund as provided in**
15 **Article VII, Section 10.2 of this constitution.**

16 **(5) To the Budget Stabilization Fund as provided in Article VII, Section**
17 **10.3 of this constitution.**

18 **(C) Mineral revenues deposited into the Transportation Trust Fund shall**
19 **be appropriated annually and shall only be used for the following:**

20 **(2) Twenty-five percent shall be used exclusively for highway priority**
21 **program projects classified as capacity projects.**

22 **(3) Twenty-five percent shall be used exclusively for port construction**
23 **and development priority program projects.**

24 Section 2. Be it further resolved that this proposed amendment shall be submitted to
25 the electors of the state of Louisiana at the statewide election to be held on November 8,
26 2016.

27 Section 3. Be it further resolved that this proposed amendment shall become effective
28 July 1, 2017.

29 Section 4. Be it further resolved that on the official ballot to be used at said election

1 there shall be printed a proposition, upon which the electors of the state shall be permitted
 2 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
 3 follows:

4 Do you support an amendment to deposit mineral revenues received by the
 5 state in excess of six hundred fifty million dollars and less than nine hundred
 6 fifty million dollars into the Transportation Trust Fund to be used solely for
 7 projects for state highway sustainability and capacity and ports? (Effective
 8 July 1, 2017)
 9 (Adds Article VII, Section 28)

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Sharon F. Lyles.

DIGEST

SB 182 Original 2016 Regular Session Ward

Proposed constitutional amendment proposes to require the treasurer to deposit and credit to the Transportation Trust Fund mineral revenue in excess of \$650 million and less than \$950 million after allocation to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, beginning Fiscal Year 2017-2018 and each fiscal year thereafter.

Proposed constitutional amendment specifies that mineral revenues are revenues received in each fiscal year by the state as a result of the production or exploration for minerals, including severance taxes, royalty payments, bonus payments, or rentals, and excluding revenues received due to grants or donations when the terms or conditions thereof require otherwise, revenues from a tax on the transportation of mineral revenues, and mineral revenue allocations required under present constitution, specifically:

- (1) Severance tax and royalty payments to the political subdivisions of the state.
- (2) The Louisiana Wildlife and Fisheries Conservation Fund.
- (3) The Louisiana Education Quality Trust Fund (the "8g Fund").
- (4) The Coastal Protection and Restoration Fund.
- (5) The Budget Stabilization Fund.

Proposed constitutional amendment requires mineral revenues deposited into the Transportation Trust Fund to only be used for the following:

- (1) 50% for state highway pavement and bridge sustainability projects.
- (2) 25% for highway priority program projects classified as capacity projects.
- (3) 25% for port construction and development priority program projects.

Specifies submission of the amendment to the voters at the statewide election to be held on November 8, 2016.

Effective July 1, 2017.

(Adds Const. Art. VII, Sec. 28)