

ST. TAMMANY PARISH COUNCIL

RESOLUTION

RESOLUTION COUNCIL SERIES NO: C-4354

COUNCIL SPONSOR: TANNER/BRISTER

PROVIDED BY: PRESIDENT'S OFFICE

RESOLUTION REQUESTING THE LOUISIANA CONGRESSIONAL DELEGATION TO SUPPORT AND ENDEAVOR TO PRESERVE AND RETAIN THE CURRENT PROVISIONS OF THE GULF OF MEXICO ENERGY SECURITY ACT (GOMESA); AND, SPECIFICALLY, TO RETAIN AND PRESERVE THE PROVISIONS OF THAT ACT RELATIVE TO THE SHARING OF OUTER CONTINENTAL SHELF COASTAL-PRODUCTION REVENUES WITH THE GULF PRODUCING STATES AND THEIR COASTAL POLITICAL SUBDIVISIONS.

WHEREAS, in 2006 Congress passed the Gulf of Mexico Energy Security Act (GOMESA) which calls for the sharing of 37.5 percent of Outer Continental Shelf (OCS) coastal-production revenues, royalties paid to the federal government by oil and gas companies, with the Gulf Producing States (GPS) of Alabama, Louisiana, Mississippi and Texas, as well as with the Coastal Political Subdivisions (CPS) in those states, including St. Tammany Parish; and

WHEREAS, in 2017, the geographic area from which OCS revenues are shared will be greatly expanded, increasing the area from two small areas in the Gulf of Mexico to the entire Gulf of Mexico Continental Shelf, thereby greatly increasing the revenues that will be shared; and

WHEREAS, GOMESA caps OCS-shared revenues at \$ 500,000,000 per year, 75% of which is to be disbursed to the Gulf Producing States; and

WHEREAS, in 2014, OCS revenues disbursed to the Gulf Producing States totaled \$ 4,297,873.40 of which Louisiana received \$ 1,398,640.31; and from the portion of the Louisiana OCS revenues distributed to Louisiana Coastal Political Subdivisions (8.66% of the total Louisiana share), St. Tammany Parish received \$ 17,898.31; and

WHEREAS, the Federal government received 40.4% of the GOMESA disbursements in 2014 and will continue to receive significant revenues in future years; and

WHEREAS, in 2018, distributions will be based on revenues collected in 2017, the first year in which distribution to Gulf Producing States and CPS will be based on the expanded geographic area; and

WHEREAS, in 2018, total revenues disbursed to the GPS are expected to be as much as \$ 375,000,000, with Louisiana's estimated share at \$ 179,000,000, of which 20% (\$ 35,000,000) would be distributed to Louisiana's coastal parishes, including St. Tammany Parish; and

WHEREAS, the President of the United States recently proposed a federal budget that eliminates the distribution of the Outer Continental Shelf coastal-production revenues to the four Gulf Producing States and their Coastal Political Subdivisions and redistributes these funds among conservative programs around the country; and

WHEREAS, in his remarks about the budget, the President explained this fundamental shift in revenue-sharing by stating, "Funds will instead be directed to programs that offer broader natural resource, watershed, and conservation benefits for the entire Nation, help the Federal government fulfill its roles of being a good neighbor to local communities, and support other national priorities."; and

WHEREAS, GOMESA was intended to compensate the Gulf Producing States for the environmental impact of offshore drilling and to provide funding for specific projects related to coastal natural resources and restoration; and

WHEREAS, the GOMESA funds currently set for distribution to the Gulf Producing States will be used to restore Mississippi River Delta ecosystems in an area in which the nation loses critical wetlands at the rate of 16 square miles every year, and

WHEREAS, America's coast and wetlands, critical elements of our nation's ecosystem, are the first line of defense against hurricane or tropical storm damages and provide protection of cultural and economic infrastructure from hurricanes; and

WHEREAS, Louisiana voters have constitutionally dedicated future offshore royalties to coastal restoration, as part of a \$ 50 billion, 50-year master plan to rebuild barrier islands, marshland and beaches that defend against floods; and

WHEREAS, the energy and seafood produces along Louisiana's coast and the coasts of the other Gulf Producing States have tremendous value for the entire nation; and

WHEREAS, the Gulf Producing States, have, for decades, borne the infrastructure and environmental costs of offshore oil exploration and production, including the destruction of about 1,900 square miles of Louisiana land from 1932 to 2000 as a result of canals cut through Louisiana wetlands for oil and gas exploration; and

WHEREAS, it is in the country's best interest that these wetlands and coastal environments are restored and protected as their loss threatens fisheries and seafood production, oil and gas networks, and navigation systems that support the entire nation; and

WHEREAS, inland states have kept 50% of the royalties derived from drilling on federal land within their borders without any annual cap on received revenues, resulting in a glaring inequity between inland and coastal states in federal revenue-sharing policy; and

WHEREAS, in order to effect the President's proposed budget, an Act of Congress would be required to undo the Gulf of Mexico Energy Security Act which was adopted in 2006; and

THE PARISH OF ST. TAMMANY HEREBY RESOLVES that this Council requests the Louisiana Congressional delegation to support and endeavor to preserve and retain the current provisions of the Gulf of Mexico Energy Security Act (GOMESA); and, specifically, to retain and preserve the provisions of that Act relative to the sharing of Outer Continental Shelf coastal-production revenues with the Gulf Producing States and their Coastal Political Subdivisions.

BE IT FURTHER RESOLVED that this Council authorizes that certifies copies of this resolution be sent to the members of the Louisiana Congressional delegation.

THIS RESOLUTION HAVING BEEN SUBMITTED TO A VOTE, THE VOTE THEREON WAS AS FOLLOWS:

MOVED FOR ADOPTION BY: _____ SECONDED BY: _____

YEAS: _____

NAYS: _____

ABSTAIN: _____

ABSENT: _____

THIS RESOLUTION WAS DECLARED ADOPTED ON THE 4 DAY OF JUNE , 2015, AT A REGULAR MEETING OF THE PARISH COUNCIL, A QUORUM OF THE MEMBERS BEING PRESENT AND VOTING.

RICHARD E. TANNER, COUNCIL CHAIRMAN

ATTEST:

THERESA L. FORD, COUNCIL CLERK

Administrative Comment

This resolution requests that Louisiana's Congressional delegation supports and endeavors to preserve and retain the current provisions of the GULF of Mexico Energy Security Act, specifically provisions of the Act relative to the sharing of revenues with Gulf Producing States and their Coastal Political Subdivisions.