



NEWSLETTER NO. 6

ELLEVATE LOUISIANA



The Final Approach

We have reached the last two weeks of the Regular session; yet we still have so many unanswered questions. Will we have a Constitutional Convention? Will Louisiana adopt Education Savings Accounts? How will the additional \$197M realized by the Revenue Estimating Conference be allocated? Famously, it is like watching the sausage being made: it's a little ugly, and, in the end, not everyone will be happy with the final product.

HB800 dictates that the convention will be held in August. Committees would meet in June and July with the full convention convening by August 1st and concluding on the 15th, the day before LegisGator. The bill allows for an extension to August 23rd if needed. Regardless, the bill needs to be passed by the 23rd to be included on the November ballot. The bill is now in the Senate where it faces some hurdles. The Administration has yet to detail the exact purpose and process of the convention. The bill has not yet been scheduled for a Senate committee hearing. And the legislature is a bit worn out. They have been in session non-stop this year.

The Administration claimed a win late last Thursday when SB313 creating the LA GATOR Scholarship Program passed on the Senate Floor. Language referencing the amount of the grant was removed from the bill as well as the timeline of its rollout. There is still a lack of clarity on where the funding will come from to support this program. Many are concerned that part of the reason for the Constitutional Convention is to use the Minimum Foundation Program, or MFP, to pay for it. The administration and backers of the Con Con promise that is not the case. However, many are concerned that this would be detrimental to the public-school education system.

Finally, the Revenue Estimating Conference recognized an additional \$197M for the current budget cycle. However, the Senate can only spend \$89M of that surplus in FY 2024-2025 without a 2/3 vote to exceed a constitutionally set cap limiting government spending. There are many who pled their case for part of those funds on Friday, May 17th at the Senate Finance Committee meeting. Leaders of Ellevate Louisiana were there to testify in support of restoration of the House's \$24M cut to Early Childhood Education. There was also valuable testimony from early childhood learning center directors, the Committee of 100, and the Regional Economic Alliance of La. Everyone shared the importance of Early Childhood Care and Education to the future success of the children that participate in the program and the ability of their parents to participate in the workforce. But we all know that there are limited budget funds, and it is now up to the Senate to decide how to use the recognized surplus - a job that I do not envy.

By: Julie Stokes, *Ellevate Louisiana CEO & President*

Environment and Infrastructure Policy

Highlights from the Legislative Session

Reorganizing the Louisiana Dept. of Energy and Natural Resources (LDENR) has been approved by the legislature and will be effective July 1, 2024. But what's happening with the coastal program and Coastal Protection and Restoration Authority (CPRA) is more pressing.



HB 810 by Rep Geymann reorganizes LDENR and has passed both the House and the Senate – unanimously with minor amendments -- and will soon head to the Governor's desk for signature. More responsibilities and oversight have been consolidated under the agency.

The Office of Conservation remains. LDENR will add three offices. 1) Enforcement -- responsible for regulatory enforcement activities and compliance related to energy development and production, permit review, and rulemaking. 2) Energy -- managing permits, functions and programs related to the deployment and operation of multiple energy sources, including developing alternative energy infrastructure and the unified energy data and information program. 3) Land and Water -- managing activities carried out related to water management, including watersheds and aquifers, state lands and water bottoms. Is this where CPRA could be moved under in the future?

The new Louisiana Natural Resources Trust Authority has been established as a finance arm for the State Mineral and Energy Board and to provide guidance and oversight for managing operators in the natural resources/energy industry in creating financial instruments. The Louisiana Oil Spill Coordinator Office and its functions will transfer to LDENR from the Dept. of Public Safety and Corrections.



HB 806 by Rep Geymann reduces the Coastal Protection and Restoration Authority (CPRA) board by removing six state officials from the CPRA board including Secretary of the Dept. of Transportation and Development, Secretary of the Dept. of Economic Development, Commissioner of Administration, Commissioner of Agriculture and Forestry, Commissioner of Insurance, and the director of the Governor's Office of Homeland Security and Emergency Preparedness. Two of these are elected officials and the other four are appointments made by the Governor.

Who remains on the CPRA board? The Executive Assistant to the governor for coastal activities; Secretaries of the Dept. of Energy and Natural Resources, Dept. of Wildlife and Fisheries, and the Dept. of Environmental Quality; eight members appointed by the governor, in consultation with the Police Jury Association of La. and the Assoc. of Levee Boards of La., from nominations submitted by coastal area levee districts, legislators, and parish governing authorities, and representing seven specified hydrologic basins; Chair of the Governor's Advisory Commission on Coastal Protection, Restoration, and Conservation; Speaker of the House of Representatives (ex officio); President of the Senate (ex officio); and the Lieutenant Governor.

It's hard to understand why this change was needed, but perhaps it's the only action that could be taken to start fundamentally altering how CPRA is managed. The effort to move CPRA into LDENR was criticized by many when this was broached in Executive Order JML 24-13. That intention may be delayed but likely has not been abandoned. Also, the Executive Order identified several boards and commissions under review for elimination.

Governor Landry also created the Natural Resources Steering Commission (NRSC) chaired by the Governor's Assistant for Coastal Activities Gordon Dove, with LDENR Secretary Gray and Commissioner of Conservation Benjamin Bienvu as members. There is a public hearing set for June 18, 2024, to discuss further recommendations and changes approved by the legislature or executive order.

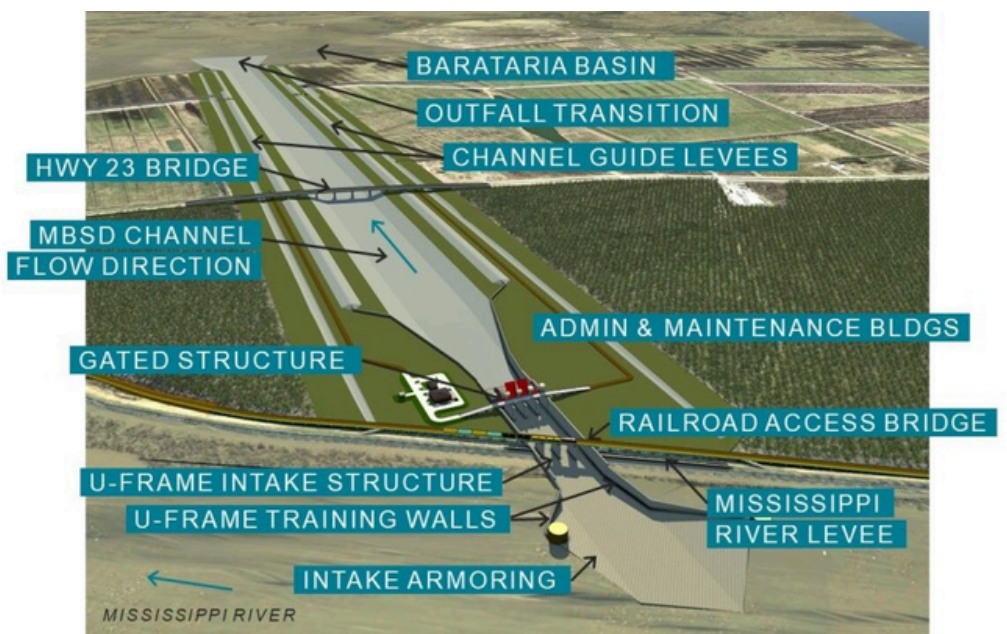


The Coastal Master Plan's Annual Plan for 2025 was approved by the legislature and the budget is \$1.7 billion, the largest budget year so far. It's important to understand that a significant amount of coastal restoration funding comes from funds related to penalties and fines from the Deepwater Horizon Oil Spill. These funds can only be spent on specific types of restoration project requests and this funding stream will expire in 2032. There is

a looming funding cliff. Will the Louisiana Natural Resources Trust Authority help in addressing this concern?

Speaking of funds that can only be spent on very specific restoration projects, the pause in construction of the Mid-Barataria Sediment Diversion (MBSD) has become a cause for concern for the known and unintentional consequences.

The MBSD project broke ground in August 2023 and construction began. Plaquemines Parish filed a suit in November 2023 that a necessary parish permit was not issued. A stop work order was issued by the Parish in February and the state has stopped construction. All parties are waiting for a court decision. Meanwhile, the contractors and their subcontractors are on hold for payments, and their contracts have language for cancellations. Specialized equipment was ordered, people were hired, timelines were arranged. Anywhere from \$250,000 to \$700,000 in costs could be incurred. Who will be responsible for paying for this?



Coastal Protection and Restoration Authority Sediment Diversions | Coastal Protection And Restoration Authority

Recently, legislators in Senate Natural Resources and Transportation Committees asked for details. The current administration asserts that the contractor should have gotten the permit and that they inherited the project and its problem. The previous administration asserts that the state has the right to issue its own permits. Currently, there is a federal lawsuit regarding MBSD on hold, pending the outcome of the separate Plaquemines Parish lawsuit versus CPRA related to the obtainment of the local permit.

As I understand it, any penalties paid to contractors cannot come from the source of funds that MBSD is using for this project. Also, MBSD funding from National Fish and Wildlife Foundation can only be used for large sediment diversions and barrier islands projects but there are no proposed projects for that criteria. The time ends in 2032 to use oil spill money. We cannot just spread it around for other uses that are not approved.



Louisiana is losing progress on this project daily. It is an integral part of southeast coastal restoration planning in the Coastal Master Plan and has been in planning and design for 10 years. If this project IS cancelled, the outcome threatens Louisiana’s credibility with contractors making commitments to work on CPRA projects in future. The longer this goes on, the longer penalties add up. Losing a \$3 billion project means all that investment in restoration, job creation, and subsequent economic activity is lost for Louisiana.

There are many people and entities looking at these developments with concern and responding, so you will hear more about it over the next few months.

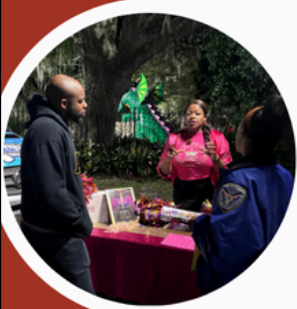


BY: REBECCA TRICHE
EXECUTIVE DIRECTOR, LOUISIANA WILDLIFE
FEDERATION



ELLEVATE LOUISIANA
MEMBER, TY SALVANT, IS
HOSTING AN ADULT-ONLY,
NON-PROFIT EVENT IN CITY
PARK! MORE INFO BELOW!

Saturday
May 25
7 - 10 PM



1. Connect

Discover nonprofit organizations to offer assistance or access the services you need.

2. Partner

Find businesses or membership organizations that contribute to the community.



3. Play

Enjoy your favorite rides at an adult-only evening in City Park with old and new friends!

timewithty.com

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Use Code Educator for 25% Off Your Ticket!

expires 5/22



UPCOMING EVENT:

N.O. CHAMBER OF COMMERCE'S 2024 POWER UP: WOMEN'S LEADERSHIP CONFERENCE

ELLEVATE LA WILL HAVE A BREAKOUT SESSION DURING SESSION 1 FROM 9:30AM-10:30AM

SCAN TO REGISTER!



Location

New Orleans Ernest N. Morial Convention Center
La Nouvelle Orleans Ballroom (2nd Fl.)
900 Convention Center Blvd.
New Orleans, LA 70130



Date

June 6, 2024



Time

8:00am - 5:00pm



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