

Louisiana to get its fair share of oil revenues

Louisiana officials are still giddy from Congress' 2006 decision to give the state a greater share of its offshore oil and gas revenues. Politicians had been pushing for the increase for generations, with little movement – that is, until hurricanes Katrina and Rita made Louisiana's case for enhanced coastal protection. As for the most recent news attached to the cash, which should reach several billion dollars over the next decade, the Minerals Management Service finally got around to certifying a distribution plan Tuesday. The law, known as the Domenici-Landrieu Gulf of Mexico Energy Security Act, requires that Louisiana, Mississippi, Texas and Alabama receive 37.5% of the revenue from new oil and gas production off their shores. As expected, the Bayou State comes out on top of the formula. From 2008 to 2016, Louisiana will receive 32% of all of the revenues generated from a newly-opened 8 million acres in the Gulf of Mexico (30% goes to Alabama, 27% to Mississippi and 11% to Texas). U.S. Sen. Mary Landrieu, a New Orleans Democrat who authored the enacting legislation, says the money is confined to coastal restoration and protection projects and Louisiana should see another increase in coming years. "After 2016, our percentage will only increase, giving us the independent revenue stream we need to protect our communities from future storms," she says.