

Regular Session, 2010

SENATE RESOLUTION NO. 93

BY SENATOR LONG

SENATE. Recognizes the Haynesville Shale for its economic impact on the state.

1 A RESOLUTION

2 To recognize the Haynesville Shale for its economic impact on the state.

3 WHEREAS, in 2009, seven firms extracting natural gas from the Haynesville Shale  
4 in northwest Louisiana generated approximately \$10.6 billion in new business sales within  
5 the state according to an economic impact study; and

6 WHEREAS, new business sales in turn created new household earnings for residents  
7 of the state totaling \$5.7 billion, according to the report which represents about 3.6 percent  
8 of the personal income produced in the state in 2009; and

9 WHEREAS, while Louisiana's personal income fell by almost \$1.2 billion or 0.7  
10 percent in 2009, had it not been for the Haynesville Shale activity, the decline would have  
11 been 4.3 percent, according to the report; and

12 WHEREAS, including the direct employment of 4,318 employees and contract  
13 workers reported by these firms, there was an increase of 57,637 new jobs within the state  
14 in 2009; and

15 WHEREAS, while Louisiana lost two percent of its jobs in 2009, without the jobs  
16 provided by Haynesville Shale, the state's employment numbers would have decreased by  
17 five per cent; and

18 WHEREAS, it is stated that production activity in the shale increased state and local

1 tax collections by at least \$912.3 million; with direct taxes paid by those firms and that  
2 activities in the shale indirectly generated state taxes of at least \$573.5 million; and

3 WHEREAS, the study was conducted by economist Loren Scott for the Louisiana  
4 Oil and Gas Association from company data representing 70% of the wells drilled in 2009;  
5 and

6 WHEREAS, it is estimated that from 2010 to 2014, companies operating there will  
7 spend nearly \$25.8 billion in drilling expenditures and \$57.5 million in estimated lease  
8 payments, and will allocate approximately \$672 million in royalty payments; and

9 WHEREAS, over the same five-year period, it is estimated that activity in the shale  
10 will generate \$61 billion in new business sales, \$15.6 billion in new household earnings, and  
11 \$844 million in local government revenue and \$195 million in state revenue from severance  
12 taxes.

13 THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana  
14 does hereby recognize the Haynesville Shale for its economic impact on the state.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Jerry J. Guillot.

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DIGEST

Long

SR No.

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