

SENATE RESOLUTION NO. 93

BY SENATOR LONG

A RESOLUTION

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

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

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

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

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

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

WHEREAS, it is stated that production activity in the shale increased state and local tax collections by at least \$912.3 million; with direct taxes paid by those firms and that activities in the shale indirectly generated state taxes of at least \$573.5 million; and

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

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

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

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

PRESIDENT OF THE SENATE