THE ADVOCATE

Senate offshore bill best for La.

Former U.S. Senator J. Bennett Johnston

Letter to the Editor

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The early 1950s saw one of the most fateful and unfortunate pages in Louisiana's political history: the fight for oil and gas revenue from Louisiana's outer continental shelf. Louisiana's lawsuit claimed all of the revenue from our offshore waters.

Drilling in the OCS — then called the "tidelands" — was in its infancy. Then-Gov. Earl Long appointed a "Tidelands Settlement Commission" to negotiate with the federal government. President Truman offered Louisiana a settlement: 37 percent of all oil and gas revenue adjacent to Louisiana's coast.

The malefactor in this story is Judge Leander Perez, the political boss of Plaquemines Parish who later achieved national infamy for his vociferous opposition to school desegregation.

There were no clear legal precedents supporting Louisiana's claim. Attorney General Bolivar Kemp and Lt. Gov. Bill Dodd urged Long to accept the Truman offer. But Perez labeled the settlement a "giveaway." Long accepted Perez' advice to reject the settlement. The Supreme Court later ruled that Louisiana was entitled only to revenue from production within three miles of its shore.

Subsequent efforts in Congress to undo the damage were unavailing.

I came to the Senate in 1973 and was able to get some share of federal revenue — some $200 million to $300 million over five years — to offset our expense in servicing the offshore energy industry. Subsequent efforts produced other victories, but they represent only a fraction of what the Truman offer would have produced.

But now three planets have come into alignment: hurricanes Katrina and Rita, a new energy crisis and a newly-energized Louisiana delegation led by Sen. Mary Landrieu and ably assisted by Sen. David Vitter.

The result is an excellent Senate-passed bill. It grants Louisiana a 37 1/2 percent share of offshore revenue (though after some delay) and permits drilling in areas of the Gulf that were under a moratorium.

The House passed its own bill, with a larger share for Gulf Coast states but it would allow drilling on the Atlantic and Pacific coasts which threatens the bill's passage.

The Senate bill now goes to the House. If accepted it will become law, but if the House insists on major amendments the bill will likely die.

So we are back where we were in the 1950s. There is a good and generous offer on the table but with advice to hold out for better terms. Let's not let the unattainable perfect be the enemy of the achievable good. Leander Perez taught us a costly lesson in the 1950s. Let's not repeat his mistake.

J. Bennett Johnston
Lobbyist and
former U.S. senator from Louisiana
Washington, D.C.