

August 3, 2006
OPINION NUMBER 06-0151

Honorable Dwight Landreneau
Secretary
Department of Wildlife and Fisheries
State of Louisiana
P.O. Box 98000
Baton Rouge, Louisiana 70898-9000

90-A-1 PUBLIC FUNDS & CONTRACTS
172-C WILDLIFE & FISHERIES COMMISSION

La. R.S. 56:797

The investment income (interest) earned on funds in the Rockefeller Wildlife Refuge Trust and Protection Fund, which is added to the Fund after annual statutorily mandated allocation, becomes part of the principal of said Fund.

Dear Secretary Landreneau:

You requested an Attorney General's opinion regarding the interpretation of La. R.S. 56:797. You question whether the interest earned on funds in the Rockefeller Wildlife Refuge Trust and Protection Fund becomes part of the principal of said Protection Fund, or whether the interest earned on these revenues and credited to the fund is not considered principal for purposes of calculating the fund's fifty million dollar cap.

R.S. 56:797 provides in relevant part:

A. (1) All revenues belonging to the state of Louisiana which are received as royalty, rentals, or otherwise from leases for the exploration, development, or production of oil, gas, and other minerals on all or any portion of the lands in the parishes of Vermilion and Cameron comprising the Rockefeller Foundation Wildlife Refuge and Game Preserve . . . subject to the prior charge on said revenues in favor of the Royalty Road Funds for the parishes of Vermilion and Cameron . . . when collected shall be deposited in the state treasury in a special fund designated as the Rockefeller Wildlife Refuge and Game Preserve Fund.

(2) The state treasurer is authorized and directed to transfer annually an amount equalling five percent of the annual revenues credited to said fund into a special fund designated as the Rockefeller Wildlife Refuge Trust and Protection Fund. If mineral and interest income credited to the Rockefeller Wildlife Refuge and Game Preserve Fund exceeds ten million dollars annually, the state treasurer is authorized and directed to transfer annually an amount equalling twenty-five percent of the annual income credited to the Preserve Fund into the Rockefeller Wildlife Refuge Trust and Protection Fund. Such transfers shall be made until such time as the

principal amount credited to such fund equals the sum of fifty million dollars.

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C. The state treasurer shall invest the principal and the undistributed return on the principal deposited in the said Rockefeller Wildlife Refuge Trust and Protection Fund for the purpose of achieving perpetual financing of said fund. . . .

D. Investment income from said trust and protection fund shall be allocated annually, even during the period that the fund is being increased to the fifty million dollar level . . .

* * * * *

E. (1) The investment income from said trust and protection fund remaining after the annual allocations provided for in this Section shall be added to the trust and protection fund. When the principal amount credited to the Rockefeller Wildlife Refuge Trust and Protection Fund reaches an amount equal to the sum of fifty million dollars, the proceeds derived from interest earned on investment of the principal shall, subject to all prior annual transfers of funds provided for by this Section, be allocated by the state treasurer in accordance with legislative appropriation . . .

This statute governs the funding of and allocations from two funds, the Rockefeller Wildlife Refuge and Game Preserve Fund ("Game Preserve Fund") and the Rockefeller Wildlife Refuge Trust and Protection Fund ("Wildlife Protection Fund").

Subsection A(2) provides for the funding of the Wildlife Protection Fund. Five percent of the annual revenues credited to the Game Preserve Fund shall be transferred into the Wildlife Protection Fund. If the mineral and interest income credited to the Game Preserve Fund exceeds ten million dollars annually, twenty-five percent of the annual income credited to the Game Preserve Fund shall be transferred into the Wildlife Protection Fund. Such transfers shall be made until the principal amount credited to the Wildlife Protection Fund equals fifty million dollars.

Subsection C provides for the investment of the principal and the undistributed return on the principal deposited in the Wildlife Protection Fund for the purpose of achieving perpetual financing of such fund. Subsection D provides for the allocation of investment income from the principal and undistributed return on principal in the Wildlife Protection Fund, even during the period that the Wildlife Protection Fund is being increased to the fifty million dollar level.

Finally, Subsection E(1) provides that the investment income from the Wildlife Protection Fund remaining after the annual allocations provided for in §797 shall be added to the Wildlife Protection Fund. Once the investment income is added to the Wildlife Protection Fund in accordance with this subsection, such income is part of the principal amount credited to the Wildlife Protection Fund.

Therefore, it is the opinion of our office that the investment income (interest) becomes part of the principal of the Rockefeller Wildlife Refuge Trust and Protection Fund for purposes of calculating the fund's fifty million dollar cap.

Trusting this adequately responds to your request, we remain

Yours very truly,

CHARLES C. FOTI, JR.
ATTORNEY GENERAL

BY: _____
KENNETH L. ROCHE, III
Assistant Attorney General

CCF, JR/KLR, III/jv

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Kenneth L. Roche, III
Assistant Attorney General