

Regular Session, 2006

HOUSE BILL NO. 406

BY REPRESENTATIVE DANIEL

MEDICAID: (Constitutional Amendment) Authorizes the investment of a portion of the Medicaid Trust Fund for the Elderly in equities

1 A JOINT RESOLUTION

2 Proposing to amend Article VII, Section 14(B) of the Constitution of Louisiana, to authorize
3 the investment of a portion of the Medicaid Trust Fund for the Elderly in equities;
4 to provide for submission of the proposed amendment to the electors; and to provide
5 for related matters.

6 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
7 elected to each house concurring, that there shall be submitted to the electors of the state of
8 Louisiana, for their approval or rejection in the manner provided by law, a proposal to
9 amend Article VII, Section 14(B) of the Constitution of Louisiana, to read as follows:

10 §14. Donation, Loan, or Pledge of Public Credit

11 Section 14.

12 * * *

13 (B) Authorized Uses. Nothing in this Section shall prevent (1) the use of
14 public funds for programs of social welfare for the aid and support of the needy; (2)
15 contributions of public funds to pension and insurance programs for the benefit of
16 public employees; (3) the pledge of public funds, credit, property, or things of value
17 for public purposes with respect to the issuance of bonds or other evidences of
18 indebtedness to meet public obligations as provided by law; (4) the return of
19 property, including mineral rights, to a former owner from whom the property had
20 previously been expropriated, or purchased under threat of expropriation, when the

1 legislature by law declares that the public and necessary purpose which originally
2 supported the expropriation has ceased to exist and orders the return of the property
3 to the former owner under such terms and conditions as specified by the legislature;
4 (5) acquisition of stock by any institution of higher education in exchange for any
5 intellectual property; (6) the donation of abandoned or blighted housing property by
6 the governing authority of a municipality or a parish to a nonprofit organization
7 which is recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(4)
8 nonprofit organization and which agrees to renovate and maintain such property until
9 conveyance of the property by such organization; (7) the deduction of any tax,
10 interest, penalty, or other charges forming the basis of tax liens on blighted property
11 so that they may be subordinated and waived in favor of any purchaser who is not
12 a member of the immediate family of the blighted property owner or which is not
13 any entity in which the owner has a substantial economic interest, but only in
14 connection with a property renovation plan approved by an administrative hearing
15 officer appointed by the parish or municipal government where the property is
16 located; (8) the deduction of past due taxes, interest, and penalties in favor of an
17 owner of a blighted property, but only when the owner sells the property at less than
18 the appraised value to facilitate the blighted property renovation plan approved by
19 the parish or municipal government and only after the renovation is completed such
20 deduction being canceled, null and void, and to no effect in the event ownership of
21 the property in the future reverts back to the owner or any member of his immediate
22 family; (9) the donation by the state of asphalt which has been removed from state
23 roads and highways to the governing authority of the parish or municipality where
24 the asphalt was removed, or if not needed by such governing authority, then to any
25 other parish or municipal governing authority, but only pursuant to a cooperative
26 endeavor agreement between the state and the governing authority receiving the
27 donated property; ~~or~~ (10) the investment in stocks of a portion of the Rockefeller
28 Wildlife Refuge Trust and Protection Fund, created under the provisions of R.S.
29 56:797, and the Russell Sage or Marsh Island Refuge Fund, created under the

1 provisions of R.S. 56:798, such portion not to exceed thirty-five percent of each
2 fund; or (11) the investment in equities of a portion of the Medicaid Trust Fund for
3 the Elderly created under the provisions of R.S. 46:2691 et seq., such portion not to
4 exceed thirty-five percent of the fund.

5 * * *

6 Section 2. Be it further resolved that this proposed amendment shall be submitted
7 to the electors of the state of Louisiana at the statewide election to be held on September 30,
8 2006.

9 Section 3. Be it further resolved that on the official ballot to be used at said election
10 there shall be printed a proposition, upon which the electors of the state shall be permitted
11 to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
12 read as follows:

13 To authorize the investment in equities of up to thirty-five percent of the
14 Medicaid Trust Fund for the Elderly. (Amends Article VII, Section 14(B))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Daniel

HB No. 406

Abstract: Authorizes investing up to 35% of the Medicaid Trust Fund for the Elderly in equities.

Present constitution prohibits the loan, pledge of donation of funds, credit, property, or things of value of the state or a political subdivision except as specifically provided in the constitution. Further prohibits the state or a political subdivision from subscribing to or purchasing the stock of a corporation or association or for any private enterprise except as specifically provided in the constitution.

Proposed constitutional amendment authorizes up to 35% of the Medicaid Trust Fund for the Elderly to be invested in equities.

Provides for submission of the proposed amendment to the voters at the statewide election to be held September 30, 2006.

(Amends Const. Art. VII, §14(B))