

Regular Session, 2001

SENATE BILL NO. 240

BY SENATORS ELLINGTON AND SCHEDLER

FUNDS/FUNDING. Constitutional amendment to authorize the donation, loan, or pledge of public credit for purposes of economic development. (2/3-CA13s1(A))

1 A JOINT RESOLUTION

2 Proposing to amend Article VII, Section 14(B) of the Constitution of
3 Louisiana, relative to the prohibited use of funds, credit, property or
4 things of value of the state or political subdivisions; to provide an
5 exception for purposes of investment of a portion of the Medicaid Trust
6 Fund for the Elderly; and to specify an election for submission of the
7 proposition to electors and provide a ballot proposition.

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

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

14 Section 14. * * *

15 (B) Authorized Uses. Nothing in this Section shall prevent (1)
16 the use of public funds for programs of social welfare for the aid and

1 support of the needy; (2) contributions of public funds to pension and
2 insurance programs for the benefit of public employees; (3) the pledge
3 of public funds, credit, property, or things of value for public purposes
4 with respect to the issuance of bonds or other evidences of
5 indebtedness to meet public obligations as provided by law; (4) the
6 return of property, including mineral rights, to a former owner from
7 whom the property had previously been expropriated, or purchased
8 under threat of expropriation, when the legislature by law declares that
9 the public and necessary purpose which originally supported the
10 expropriation has ceased to exist and orders the return of the property
11 to the former owner under such terms and conditions as specified by
12 the legislature; (5) acquisition of stock by any institution of higher
13 education in exchange for any intellectual property; (6) the donation of
14 abandoned or blighted housing property by the governing authority of
15 a municipality or a parish to a nonprofit organization which is
16 recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(4)
17 nonprofit organization and which agrees to renovate and maintain such
18 property until conveyance of the property by such organization; (7) the
19 deduction of any tax, interest, penalty, or other charges forming the
20 basis of tax liens on blighted property so that they may be subordinated
21 and waived in favor of any purchaser who is not a member of the
22 immediate family of the blighted property owner or which is not any
23 entity in which the owner has a substantial economic interest, but only
24 in connection with a property renovation plan approved by an
25 administrative hearing officer appointed by the parish or municipal
26 government where the property is located; (8) the deduction of past due
27 taxes, interest and penalties in favor of an owner of a blighted property,

1 but only when the owner sells the property at less than the appraised
2 value to facilitate the blighted property renovation plan approved by the
3 parish or municipal government and only after the renovation is
4 completed such deduction being canceled, null and void, and to no
5 effect in the event ownership of the property in the future reverts back
6 to the owner or any member of his immediate family; (9) the donation
7 by the state of asphalt which has been removed from state roads and
8 highways to the governing authority of the parish or municipality where
9 the asphalt was removed, or if not needed by such governing authority,
10 then to any other parish or municipal governing authority, but only
11 pursuant to a cooperative endeavor agreement between the state and the
12 governing authority receiving the donated property; ~~or~~ (10) the
13 investment in stocks of a portion of the Rockefeller Wildlife Refuge
14 Trust and Protection Fund, created under the provisions of R.S. 56:797,
15 and the Russell Sage or Marsh Island Refuge Fund, created under the
16 provisions of R.S. 56:798, such portion not to exceed thirty-five
17 percent of each fund; **or (11) the investment in stocks of a portion of**
18 **the Medicaid Trust Fund for the Elderly created under the**
19 **provisions of R.S. 46:2691 et seq., such portion not to exceed thirty-**
20 **five percent of the fund.**

21 Section 2. Be it further resolved that this proposed amendment shall be
22 submitted to the electors of the state at the statewide election to be held on
23 November 5, 2002.

24 Section 3. Be it further resolved that on the official ballot to be used
25 at the election there shall be printed a proposition, upon which the electors of
26 the state shall be permitted to vote FOR or AGAINST, to amend the

1 Constitution of Louisiana, which proposition shall read as follows:

2 To authorize the investment in stocks of a portion of the
3 Medicaid Trust Fund for the Elderly. (Amends Article VII,
4 Section 14(B))

The original instrument was prepared by Thomas L. Tyler. The following digest, which does not constitute a part of the legislative instrument, was prepared by Peggy Russell.

Ellington (SB 240)

DIGEST

Present constitution prohibits the loan, pledge, or donation of funds, credit, property, or things of value of the state or a political subdivision except as specifically provided in the constitution.

Proposed constitutional amendment authorizes the treasurer to invest the Medicaid Trust Fund for the Elderly in Securities.

Specifies submission of the amendment to the voters at the statewide election to be held on November 5, 2002.

(Amends Const. Art. VII, Sec. 14(B))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill.

1. Authorizes the Treasurer to invest the Medicaid Trust Fund for the Elderly in securities.

Senate Floor Amendments to engrossed bill.

1. Eliminates the authorization for the use of public funds, credit property, or things of value of the state or of any political subdivision for economic development activities.