

2020 Second Extraordinary Session

SENATE BILL NO. 38

BY SENATOR WHITE

FUNDS/FUNDING. Provides relative to the creation, use, dedication, and transfer of funds in the state treasury. (gov sig) (Item #16)

1 AN ACT
2 To enact R.S. 39:100.22 and Subpart N of Part II-A of Chapter 1 of Subtitle I of Title 39 of
3 the Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:100.51, and to
4 amend and reenact R.S. 47:302.2(D), relative to special funds; to create the Fiscal
5 Year 2021 Balanced Budget Reserve Fund in the state treasury; to create the 2020
6 Overcollections Fund in the state treasury; to provide relative to the transfer,
7 dedication, deposit, and use of certain special funds in the state treasury; to provide
8 for an effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 39:100.22 and Subpart N of Part II-A of Chapter 1 of Subtitle I of
11 Title 39 of the Louisiana Revised Statues of 1950, consisting of R.S. 39:100.51, are hereby
12 enacted to read as follows:

13 **§100.22. 2020 Overcollections Fund**

14 **A. The 2020 Overcollections Fund, hereinafter referred to as "the**
15 **fund", is hereby created in the state treasury. After complying with the**
16 **provisions of Article VII, Section 9(B) of the Constitution of Louisiana relative**
17 **to the Bond Security and Redemption Fund, the treasurer is directed to deposit**

1 in and credit to the fund the difference between the official forecast of recurring
 2 revenue available for general purpose expenditures of Fiscal Year 2019-2020
 3 adopted by the Revenue Estimating Conference on May 11, 2020, and actual
 4 collections of revenue available for general purpose expenditures and
 5 attributable to Fiscal Year 2019-2020 and prior to being reported as a balance
 6 to the Joint Legislative Committee on the Budget in the prior year and being
 7 recognized by the Revenue Estimating Conference.

8 B. Monies in the fund shall be invested in the same manner as monies in
 9 the state general fund. Interest earned on the investment of monies in the fund
 10 shall be deposited in and credited to the fund. Except as otherwise provided in
 11 this Section, unexpended and unencumbered monies in the fund at the end of
 12 a fiscal year shall remain in the fund.

13 * * *

14 SUBPART N. FISCAL YEAR 2021 BALANCED BUDGET RESERVE FUND

15 §100.51. Fiscal Year 2021 Balanced Budget Reserve Fund

16 A. There is hereby established in the state treasury, as a special fund, the
 17 Fiscal Year 2021 Balanced Budget Reserve Fund, hereinafter referred to as the
 18 "fund".

19 B. Any money transferred, donated, or appropriated to the fund by the
 20 legislature shall be deposited in the fund.

21 C. All unexpended and unencumbered monies in the fund at the end of
 22 the fiscal year shall remain in the fund. The monies in the fund shall be invested
 23 by the state treasurer in the same manner as monies in the state general fund,
 24 and interest earned on the investment of monies shall be credited to the fund.

25 Section 2. R.S. 47:302.2(D) is hereby amended and reenacted to read as follows:

26 §302.2. Disposition of certain collections in the city of Shreveport

27 A. * * *

28 * * *

29 D.(1) Notwithstanding any other provision of this Section to the contrary, for

1 the 2020-2021 Fiscal Year monies in the fund in the amount of two hundred
 2 thousand dollars may be made available for the LSU Health Sciences Center
 3 Shreveport provided, however, that any distributions of monies to the LSU Health
 4 Sciences Center Shreveport shall occur in equal quarterly amounts after the
 5 distributions to entities which have pledged or dedicated such monies into bonds
 6 have been made each quarter.

7 **(2) Notwithstanding any other provision of this Section to the contrary,**
 8 **for the last two quarters of the 2020-2021 Fiscal Year monies in the fund in the**
 9 **amount of one hundred eighty-seven thousand dollars may be made available**
 10 **for the LSU Health Sciences Center Shreveport provided, however, that any**
 11 **distributions of monies to the LSU Health Sciences Center Shreveport shall**
 12 **occur in equal quarterly amounts after the distributions to entities which have**
 13 **pledged or dedicated such monies into bonds have been made each quarter.**

14 * * *

15 Section 3. This Act shall become effective upon signature by the governor or, if not
 16 signed by the governor, upon expiration of the time for bills to become law without signature
 17 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 18 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 19 effective on the day following such approval.

The original instrument was prepared by Martha Hess. The following digest,
 which does not constitute a part of the legislative instrument, was prepared
 by Nancy Vicknair.

DIGEST

SB 38 Reengrossed

2020 Second Extraordinary Session

White

Proposed law creates the Fiscal Year 2021 Balanced Budget Reserve Fund (Reserve Fund) as a special fund in the state treasury. Any money transferred, donated, or appropriated to the Reserve Fund by the legislature shall be deposited in the Reserve Fund.

Proposed law provides that the monies in the Reserve Fund shall remain in the Reserve Fund at the end of the fiscal year and interest earned on the investment of monies in the Reserve Fund shall be credited to the Reserve Fund.

Proposed law creates the 2020 Overcollections Fund in the state treasury. Directs the treasurer after complying with the provisions of the La. Const. relative to the Bond Security and Redemption Fund, to deposit in and credit to the 2020 Overcollections Fund the difference between the official forecast of recurring revenue available for general purpose

expenditures of FY 2019-2020 adopted by the REC on May 11, 2020, and actual collections of revenue available for general purpose expenditures in FY 2019-2020 and prior to being reported as a balance to the JLCB in the prior year and being recognized by the REC.

Proposed law provides that the monies in the 2020 Overcollections Fund shall remain in the 2020 Overcollections Fund at the end of the fiscal year and interest earned on the investment of monies in the 2020 Overcollections Fund shall be credited to the 2020 Overcollections Fund.

Present law provides that notwithstanding any other provision of law to the contrary, for the 2020-2021 Fiscal Year monies in the Shreveport Riverfront and Convention Center and Independence Stadium Fund in the amount of two hundred thousand dollars may be made available for the LSU Health Sciences Center Shreveport provided, however, that any distributions of monies to the LSU Health Sciences Center Shreveport shall occur in equal quarterly amounts after the distributions to entities which have pledged or dedicated such monies into bonds have been made each quarter. Proposed law retains present law.

Proposed law further provides that notwithstanding any other provision of law to the contrary, for the last two quarters of the 2020-2021 Fiscal Year monies in the fund in the amount of \$187,000.00 may be made available for the LSU Health Sciences Center Shreveport provided, however, that any distributions of monies to the LSU Health Sciences Center Shreveport shall occur in equal quarterly amounts after the distributions to entities which have pledged or dedicated such monies into bonds have been made each quarter.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 47:302.2(D); adds R.S. 39:100.22 and 100.51)

Summary of Amendments Adopted by Senate

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

1. Creates the 2020 Overcollections Fund in the state treasury.
2. Provides for the deposit into the 2020 Overcollections Fund of the difference between the official forecast of recurring revenues available for general purpose expenditures for FY 2019-2020 adopted by the REC on 5/11/20, and actual collections of revenue available for general purpose expenditures in FY 2019-2020 and prior to be reported as a balance to JLCB in the prior year and being recognized by the REC.
3. Provides for the investment of monies in the 2020 Overcollections Fund and that unexpended and unencumbered monies in the 2020 Overcollections Fund shall remain in the 2020 Overcollections Fund at the end of the fiscal year.

Senate Floor Amendments to engrossed bill

1. Make technical changes.
2. Provides that for the last two quarters of the 2020-2021 Fiscal Year monies in the Shreveport Riverfront and Convention Center and Independence Stadium Fund in the amount of \$187,000.00 may be made available for the LSU Health Sciences Center Shreveport provided, however, that any distributions of monies to the LSU Health Sciences Center Shreveport shall occur in equal quarterly amounts after the distributions to entities which have pledged or dedicated such monies into bonds have been made each quarter.