

Regular Session, 2009

SENATE BILL NO. 42

BY SENATORS MURRAY, DUPLESSIS AND GRAY EVANS AND
REPRESENTATIVE LEGER

FUNDS/FUNDING. Dedicates state funds for the purpose of providing for health insurance premiums of certain plan members on hurricane effected areas. (7/1/09)

AN ACT

To enact Subpart Q of Part II-A of Chapter 1, Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:100.118, relative to special funds; to establish the Hurricane Recovery Health Insurance Premium Fund as a special fund in the state treasury; to provide for uses of the monies in the fund; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Subpart Q of Part II-A of Chapter 1, Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.118 is hereby enacted to read as follows:

SUBPART Q. HURRICANE RECOVERY HEALTH

INSURANCE PREMIUM FUND

§100.118. Hurricane Recovery Health Insurance Premium Fund

A. There is hereby created, as a special fund in the state treasury, the Hurricane Recovery Health Insurance Premium Fund, hereafter referred to as "the fund."

B. Beginning July 1, 2009, and each fiscal year thereafter, and after compliance with the requirements of Article VII, Section 9(B) of the

1 Constitution of Louisiana relative to the Bond Security and Redemption Fund,
2 and after a sufficient amount is allocated from that fund to pay all of the
3 obligations secured by the full faith and credit of the state which become due
4 and payable within any fiscal year and before monies are credited to the state
5 general fund, the treasurer shall pay, subject to an annual appropriation by the
6 legislature, into the Hurricane Recovery Health Insurance Premium Fund an
7 amount equal to forty percent of the premiums necessary to provide health
8 insurance for certain plan members of the Cameron Parish School Board, the
9 Orleans Parish School Board, the Plaquemines Parish School Board, and the St.
10 Bernard Parish School Board, but not less than the amount appropriated for
11 such purposes as provided in Schedule 20-945 / Aid to Local Government
12 Entities contained in Act 642 of the 2006 Regular Session of the Legislature.
13 Monies credited to the fund shall be distributed as provided in Subsection C of
14 this Section.

15 C. Subject to an annual appropriation by the legislature, monies in the
16 fund shall be distributed as follows:

17 (1) Sixty-three and three-tenths percent shall be distributed to the
18 Orleans Parish School Board and shall be used to reduce the employee portions
19 of health insurance premiums for certain system retirees.

20 (2) Monies distributed to the Cameron Parish School Board, the
21 Plaquemines Parish School Board, and the St. Bernard Parish School Board
22 shall be used for subsidy of health insurance premiums. Distributions to the
23 school boards shall be as follows:

24 (a) Four and nine-tenths percent to the Cameron Parish School Board.

25 (b) Ten and four-tenths percent to the Plaquemines Parish School Board.

26 (c) Twenty-one and four-tenths percent to the St. Bernard Parish School
27 Board.

28 D. All unexpended and unencumbered monies in the fund at the end of
29 the fiscal year shall remain in the fund. The monies in the fund shall be

1 invested by the state treasurer in the same manner as monies in the state
 2 general fund, and interest earned on the investment of these monies shall be
 3 credited to the state general fund.

4 Section 2. This Act shall become effective on July 1, 2009; if vetoed by the governor
 5 and subsequently approved by the legislature, this Act shall become effective on July 1,
 6 2009, or on the day following such approval by the legislature, whichever is later.

The original instrument was prepared by Cheryl Horne. The following digest, which does not constitute a part of the legislative instrument, was prepared by Jay Lueckel.

DIGEST

Murray (SB 42)

Proposed law establishes the Hurricane Recovery Health Insurance Premium Fund as a special fund in the state treasury. Provides that beginning July 1, 2009, and each fiscal year thereafter, the treasurer shall pay, subject to an annual appropriation by the legislature, into the Hurricane Recovery Health Insurance Premium Fund an amount equal to forty percent of the health insurance premiums necessary to provide coverage for certain plans members of the Cameron Parish School Board, the Orleans Parish School Board, the Plaquemines Parish School Board, and the St. Bernard Parish School Board, but not less than the amount appropriated for such purposes provided in Schedule 20-945 Aid to Local Government Entities contained in Act 642 of the 2006 Regular Session.

Proposed law provides that subject to an annual appropriation by the legislature, monies in the fund shall be used as follows: (1) 63.3% to the Orleans Parish School Board to reduce employee portions of health insurance premiums for certain system retirees; and (2) 4.9% to the Cameron Parish School Board, 10.4% to the Plaquemines Parish School Board, and 21.4% to the St. Bernard School Board, all to be used for subsidy of health insurance premiums.

Proposed law provides that all unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund. The monies in the fund shall be invested by the state treasurer and interest earned be credited to the state general fund.

Effective July 1, 2009.

(Adds R.S. 39:100.118)

Summary of Amendments Adopted by Senate

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

1. Limits paying money into the fund subject to an annual appropriation by the legislature.