SLS 19RS-60 REENGROSSED

2019 Regular Session

SENATE BILL NO. 181

BY SENATOR HEWITT AND REPRESENTATIVE EDMONDS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING. Provides relative to the classification, revision, dedication, or repeal of certain funds in the state treasury. (7/1/19)

1 AN ACT

2 To amend and reenact R.S. 13:998(B) and (C), 1141(B), and 1414(B), R.S. 15:1224(A), (B), and (C), R.S. 17:1519.6(A), R.S. 23:1514(D)(5) as amended by Section 7 of Act No. 3 612 of the 2018 Regular Session of the Legislature, R.S. 39:100.31(B) and 1357, 4 5 R.S. 47:120.71(B), R.S. 47:318(D) as amended by Section 15 of Act No. 612 of the 2018 Regular Session of the Legislature, R.S. 49:308.5(B)(3) and (4) and (C)(1), the 6 7 introductory paragraph of 308.5(C)(3)(a), and (E), R.S. 51:2315(A) as amended by 8 Section 17 of Act No. 612 of the 2018 Regular Session of the Legislature, R.S. 9 56:279(C)(1) and (2) as amended by Section 18 of Act No. 612 of the 2018 Regular 10 Session of the Legislature, Code of Criminal Procedure Art. 895.1(E) as amended 11 by Section 1 of Act No. 260 of the 2017 Regular Session of the Legislature and by Act No. 137 of the 2018 Regular Session of the Legislature, Code of Criminal 12 13 Procedure Art. 895.1(F)(2) as amended by Section 19 of Act No. 612 of the 2018 Regular Session of the Legislature, and Sections 1 and 24 of Act No. 612 of the 2018 14 Regular Session of the Legislature, and to repeal R.S. 24:653(N)(3) as amended by 15 Section 8 of Act No. 612 of the 2018 Regular Session of the Legislature, R.S. 16 17 39:100.26 and 100.41, and R.S. 49:308.5(B) as amended by Section 16 of Act No.

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Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

612 of the 2018 Regular Session of the Legislature, relative to certain funds in the state treasury and the review of those funds; to provide for the reclassification of funds in the state treasury; to provide for the elimination of certain treasury funds and the creation of certain statutorily dedicated fund accounts containing fees and self-generated revenues; to provide relative to monies deposited and credited into certain statutorily dedicated fund accounts in the state treasury; to provide that statutorily dedicated fund accounts shall be presented as a distinct means of finance in the executive budget; to provide relative to the investment of monies in certain treasury funds and statutorily dedicated fund accounts; to provide relative to the plan of review of certain special funds, dedications, and statutorily dedicated fund accounts; to provide for the review of certain special funds and dedications in the state treasury, including those containing fees and self-generated revenues, by the Dedicated Fund Review Subcommittee of the Joint Legislative Committee on the Budget; to provide for meetings of the subcommittee; to provide for effective dates; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Sections 1 and 24 of Act No. 612 of the 2018 Regular Session of the Legislature is hereby amended and reenacted to read as follows:

Section 1. The conversion of certain dedicated funds to special agency statutorily dedicated fund accounts in the state treasury contained herein, shall cause the special statutorily dedicated agency accounts to be classified as fees and self-generated revenues to be used only for the purposes of identifying the accounts containing fees and self-generated revenues, hereinafter referred to as special agency accounts or accounts, to be presented as a distinct means of finance in the executive budget. The conversion of certain dedicated funds to special agency accounts shall not change the purpose for which the monies were dedicated unless the use of the monies is specifically amended herein. Unless specifically provided for in the statute establishing the agency account, all funds transferred to agency accounts shall not revert to the state general fund at the end of the fiscal year. Unless

specifically provided otherwise in the statute establishing the agency account, the monies in the accounts shall be invested by the treasurer in the same manner as the state general fund, and interest earnings shall be deposited into the accounts following compliance with the requirements of Article VII, Section 9(B) of the Louisiana Constitution relative to the Bond Security and Redemption Fund, and shall not revert to the state general fund. The revenues in the accounts shall remain in the accounts. All monies in the accounts shall require an appropriation to be withdrawn from the account. No funds shall be transferred in or out of an account without an annual appropriation or favorable action of the Joint Legislative Committee on the Budget through a budget adjustment for the statutory purpose of those revenues.

* * *

Section 24. The state treasurer is hereby authorized and directed to transfer any unencumbered balances remaining in the funds repealed and abolished in Sections 1 through 14 23 of this Act to the state general fund after satisfying the appropriations for Fiscal Year 2019-2020. This Section shall not apply to any fund converted to a statutorily dedicated fund account or escrow account in this Act.

* * *

Section 2. The conversion of certain dedicated funds to statutorily dedicated fund accounts containing fees and self-generated revenues, hereinafter referred to as agency accounts or accounts, in the state treasury contained herein, shall cause the special agency accounts to be presented as a distinct means of finance in the executive budget. The conversion of certain dedicated funds to special agency accounts shall not change the purpose for which the monies were dedicated unless the use of the monies is specifically amended herein. Unless specifically provided for in the statute establishing the agency accounts, all funds transferred to agency accounts shall not revert to the state general fund at the end of the fiscal year. Unless specifically provided otherwise in the statute establishing the agency account, the monies in the accounts shall be invested by the treasurer in the same manner as the state general fund, and

interest earnings shall be deposited into the account following compliance with the requirements of Article VII, Section 9(B) of the Louisiana Constitution relative to the Bond Security and Redemption Fund, and shall not revert to the state general fund. The revenues in the accounts shall remain in the accounts. All monies in the account shall require an appropriation to be withdrawn from the account. No funds shall be transferred in or out of an account without an annual appropriation or favorable action of the Joint Legislative Committee on the Budget through a budget adjustment for the statutory purpose of those revenues.

Section 3. R.S. 13:998(B) and (C), 1141(B), and 1414(B) are hereby amended and reenacted to read as follows:

§998. Nonrefundable fee; assessment and disposition

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B. The clerks of the respective district courts, within thirty days of the close of each fiscal year, shall remit all funds collected pursuant to this Section to be deposited in the state treasurer's account for credit to a special fund statutorily dedicated fund account after meeting the requirements of Article VII, Section 9 of the Constitution of Louisiana. The monies in this fund account shall be invested by the state treasurer in the same manner as monies in the state general fund, and interest earned on the investment of these monies shall be credited to the fund account following compliance with the requirement of Article VII, Section 9(B) relative to the Bond Security and Redemption Fund. Disbursement of funds shall be made by the office of children and family services in the Department of Children and Family Services, or its successor, in accordance with Paragraph (E)(2) of this Section and only in amounts appropriated by the legislature. Funding deposited into this account shall be presented as a distinct means of finance in the executive budget and shall be available for annual appropriations by the legislature.

C. The monies appropriated by the legislature and disbursed from this special fund <u>account</u> shall not displace, replace, or supplant appropriations from the general fund. This Paragraph shall mean that no appropriation for any fiscal year from the

1	special account shall be made for any purpose for which a general fund appropriation
2	was made in the previous year unless the total appropriations for that fiscal year from
3	the state general fund for such purpose exceed general fund appropriations for the
4	previous year.
5	* * *
6	§1141. Domestic Relations Section; nonrefundable fee; assessment and disposition
7	* * *
8	B. The clerk of the civil district court, within thirty days of the close of each
9	fiscal year, shall remit all costs collected pursuant to this Section to be deposited in
10	the state treasurer's account for credit to a special statutorily dedicated fund
11	account after meeting the requirements of Article VII, Section 9 of the Constitution
12	of Louisiana. The monies in this fund account shall be invested by the state treasurer
13	in the same manner as monies in the state general fund, and interest earned on the
14	investment of these monies shall be credited to the fund account following
15	compliance with the requirement of Article VII, Section 9(B) relative to the Bond
16	Security and Redemption Fund. Disbursement of funds shall be made by the office
17	of children and family services in the Department of Children and Family Services,
18	or its successor, in accordance with Paragraph E(2) of this Section and only in
19	amounts appropriated by the legislature. Funding deposited into this account shall
20	be presented as a distinct means of finance in the executive budget and shall be
21	available for annual appropriation by the legislature.
22	* * *
23	§1414. Nonrefundable fee; assessment and disposition
24	* * *
25	B. The clerk of the 19th Judicial District Court, within thirty days of the close
26	of each fiscal year, shall remit all costs collected pursuant to this Section to be
27	deposited in the state treasurer's account for credit to a special statutorily dedicated
28	fund account after meeting the requirements of Article VII, Section 9 of the

Constitution of Louisiana. The monies in this fund account shall be invested by the

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state treasurer in the same manner as monies in the state general fund, and interest earned on the investment of these monies shall be credited to the fund account following compliance with the requirement of Article VII, Section 9(B) relative to the Bond Security and Redemption Fund. Disbursement of funds shall be made by the office of children and family services in the Department of Children and Family Services, or its successor, in accordance with Paragraph (E)(2) of this Section and only in amounts appropriated by the legislature. Funding deposited into this account shall be presented as a distinct means of finance in the executive budget and shall be available for annual appropriations by the legislature.

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Section 4. R.S. 15:1224 (A), (B), and (C) are hereby amended and reenacted to read as follows:

§1224. Drug Abuse Education and Treatment **Dedicated** Fund **Account**; creation; purpose

A. The Drug Abuse Education and Treatment **Dedicated** Fund **Account**, hereafter referred to as the "fund account", is hereby created as a special statutorily **dedicated** fund **account** in the state treasury, which shall be the depository for all fees collected under the provisions of C.Cr.P. Art. 895.1(E).

B. After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, and prior to monies being placed in the state general fund, an amount equal to that deposited as required by Subsection A hereof of this Section shall be credited to the fund account. The monies in the fund account shall be used solely as provided by Subsection C of this Section and only in the amounts appropriated by the legislature. The monies in this fund account shall be invested by the state treasurer in the same manner as monies in the state general fund, and interest earned on the investment of these monies shall be credited to the fund account, again following compliance with the requirement of Article VII, Section 9(B) relative to the Bond Security and Redemption Fund. Funding deposited into the account shall be presented as a

1	distinct means of finance in the executive budget and shall be available for
2	annual appropriation by the legislature.
3	C. The monies available in the fund account shall be used exclusively by the
4	Louisiana Commission on Law Enforcement to administer a grant program to assist
5	local public and private nonprofit agencies involved in drug abuse prevention and
6	treatment in developing drug abuse and treatment programs. In addition, the
7	commission shall allocate from the fund account such monies as are necessary in
8	administering this grant program.
9	* * *
10	Section 5. R.S. 17:1519.6(A) is hereby amended and reenacted to read as follows:
11	§1519.6. Funding and budget
12	A. The health care services division shall be an organizational unit within the
13	LSU HSC-NO and shall be budgeted as a single appropriation separate and distinct
14	from the appropriation or budget for any other institution or school under the
15	supervision and management of the board. The appropriation for the health care
16	services division shall only indicate the amount of state general fund dollars
17	appropriated to this schedule and shall exclude state general funds for Medicaid and
18	Medicaid-Uncompensated Care. All other funds generated by hospital operations
19	shall be deposited directly into the Health Care Services Fund without appropriation.
20	Funds from other institutions, schools, or divisions under the management of the
21	board shall not be used to offset any deficit which may occur within the health care
22	services division, and, conversely, funds from the health care services division shall
23	not be used to offset any deficit which may occur within other institutions, schools,
24	or divisions under the management of the board.
25	* * *
26	Section 6. R.S. 23:1514(D)(5) as amended by Section 7 of Act No. 612 of the 2018
27	Regular Session is hereby amended and reenacted to read as follows:
28	§1514. Worker training fund; purpose; training programs; eligibility criteria;

program administration

(5) The administrator may annually set aside an amount up to ten percent of the amount appropriated to the fund by the state legislature for preemployment training in any year in which the legislature appropriates funds for training equal to or exceeding those funds appropriated in the previous year to the Rapid Response Fund created by R.S. 51:2361 or to the Louisiana Economic Development Fund created by R.S. 51:2315 to be used exclusively for the Louisiana FastStart Program Louisiana Economic Development - Debt Service and State Commitments. All preemployment training shall require an employer matching contribution of not more than fifty percent, and job placement outcomes at wage rates commensurate with training, as determined by the administrator pursuant to duly promulgated rules and regulations.

Section 7. R.S. 39:100.31(B) is hereby amended and reenacted to read as follows: §100.31. State Emergency Response Fund

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B. Monies in the fund shall be appropriated and used to provide a source of funds to pay expenses incurred as a result of activities associated with the preparation for and response to an emergency or declared disaster. The expenditure for such a purpose from another source may be eligible to be repaid from the fund if the using agency has certified the necessity of such action to the commissioner of administration. Monies in the fund may also be utilized to provide bridge funding in anticipation of reimbursements from the federal government or other source. Any reimbursement received for expenses paid from the fund shall be returned to and deposited into the fund. Transfers of monies from the fund may be made from one agency to another prior to obtaining approval by the Joint Legislative Committee on the Budget in the event of an emergency and if certified by the commissioner of administration to the governor that any delay in the expenditure of such monies would be detrimental to the welfare and safety of the state and its citizens. The Joint

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Legislative Committee on the Budget shall be notified in writing of such declaration and shall meet to consider such action, but if it is found by the committee that such funds were not needed for an emergency expenditure, such approval may be withdrawn and any balance remaining shall not be expended. Monies in the fund may also be transferred to the FEMA Reimbursement Fund by the commissioner of administration with the approval of the Joint Legislative Committee on the Budget.

Section 8.(A) R.S. 39:1357 is hereby amended and reenacted to read as follows: §1357. Fiscal Administrator Revolving Loan Fund

A. There is hereby established a revolving fund in the state treasury to be known as the "Fiscal Administrator Revolving Loan Fund", hereinafter referred to as the "fund", which shall be maintained and operated by the Department of the Treasury. The source of monies deposited in and credited to the fund shall be all grants, gifts, and donations received by the state for the purpose of funding fiscal administrators; any money appropriated by the legislature to the fund; the repayment of principal of and interest on loans and other obligations made to political subdivisions financed from the fund; and other revenues as may be provided by law.

B. Money in the fund shall be invested by the state treasurer in the same manner as money in the state general fund. Interest earned on the investment of the money in the fund shall be credited to the fund after compliance with the requirements of Article VII, Section 9(B) relative to the Bond Security and Redemption Fund. All unexpended and unencumbered money in the fund at the end of a fiscal year shall remain in the fund.

C. Notwithstanding any provisions of law to the contrary, and in addition to the authority to borrow money or incur debt under any other provisions of law, any political subdivision for which a fiscal administrator is in the process of being appointed or which has been appointed as provided in this Chapter, is hereby authorized to borrow money from and incur debt payable to the fund in accordance with the provisions of this Section. Such borrowing shall be subject to the approval of:

(1) The legislative auditor, the attorney general, and the state treasurer.

- (2) The fiscal administrator, if one has been appointed by the court.
- (3) The district court having jurisdiction over the fiscal administration.
- (4) The State Bond Commission.

D. The monies in the fund shall be appropriated and used only for the purpose of providing financial assistance to a political subdivision for which a court has appointed a fiscal administrator as provided in this Chapter by providing a source of funds from which the political subdivision may borrow in order to pay the costs and expenses associated with the independent fiscal administration of the political subdivision, including but not limited to all costs and expenses incurred by the fiscal administrator, the legislative auditor, the attorney general, the state treasurer, and any other persons engaged in connection with the independent fiscal administration.

E. Each loan shall be evidenced by a bond, note, or other evidence of indebtedness of the borrower issued to represent an obligation to repay a loan from the fund and shall be authorized and issued pursuant to a resolution or ordinance of the governing authority of such entity, which shall prescribe the form and details thereof, including the terms, security for, manner of execution, repayment schedule, and redemption features thereof. Any such resolution or ordinance shall set forth the maximum principal amount, the maximum interest rate, which shall be at an interest rate that is less than or equal to the market interest rate, as determined by the Department of the Treasury, the maximum redemption premium, if any, and the maximum term of such indebtedness.

F. All resolutions or ordinances authorizing the issuance of bonds, notes, or other evidence of indebtedness of a political subdivision hereunder shall be published once in the official journal of the borrower. It shall not be necessary to publish exhibits to such resolution or ordinance, but such exhibits shall be made available for public inspection at the offices of the governing authority of the borrower at reasonable times and such fact shall be stated in the publication. For a

period of thirty days after the date of such publication, any persons in interest may contest the legality of the resolution or ordinance authorizing such evidence of indebtedness and any provisions thereof made for the security and payment thereof. After such thirty-day period, no one shall have any cause or right of action to contest the regularity, formality, legality, or effectiveness of the resolution or ordinance and the provisions thereof or of the bonds, notes, or other evidence of indebtedness authorized thereby for any cause whatsoever. If no suit, action, or proceeding is begun contesting the validity of the bonds, notes, or other evidence of indebtedness authorized pursuant to the resolution or ordinance within the thirty days prescribed in this Subsection, the authority to issue the bonds, notes, or other evidence of indebtedness, or to provide for the payment thereof, and the legality thereof, and all of the provisions of the resolution or ordinance and the evidence of indebtedness shall be conclusively presumed, and no court shall have authority or jurisdiction to inquire into any such matter.

G. The Department of the Treasury may by suit, action, mandamus, or other proceedings, protect and enforce any covenant relating to and the security provided in connection with any indebtedness issued pursuant to this Section, and may by suit, action, mandamus, or other proceedings enforce and compel performance of all of the duties required to be performed by the governing body and officials of any borrower hereunder and in any proceedings authorizing the issuance of such bonds or other evidences of indebtedness.

H. Monies in, credited to the account of, or to be received by the Fiscal Administrator Revolving Loan Fund shall be expended in a manner consistent with the terms and conditions of the loans made from the fund.

I. The repayment of principal of and interest on loans and other obligations made to political subdivisions financed from the Fiscal Administrator Revolving Loan Fund shall be deposited into the Fiscal Administrator Revolving Loan Fund and may be used to finance loans and obligations to other political subdivisions for which a fiscal administrator is appointed pursuant to this Chapter, provided that

2	the Treasury deems necessary and prudent may be retained in the fund.
3	J. The Department of the Treasury shall be authorized to enter into contracts
4	and other agreements in connection with the operation of the fund and the
5	department is authorized to adopt rules and regulations in accordance with the
6	Administrative Procedure Act to implement the provisions of this Section.
7	(B) Notwithstanding the provisions of Section 22 of Act 612 of the 2018
8	Regular Session of the Legislature, the provisions of Subsection A of this Section
9	shall become effective on July 1, 2020.
10	Section 9. R.S. 47:120.71(B) is hereby amended and reenacted to read as follows:
11	§120.71. Income tax checkoff; donation for Louisiana Pet Overpopulation Advisory
12	Council; creation; use of monies
13	* * *
14	B. Upon receipt of any taxpayer's current-year income tax return upon which
15	the designation of a donation has been made, the secretary shall, after having
16	deducted the donation from the amount to be refunded, remit the donation for
17	deposit, as provided in R.S. 3:2364(E), directly into the Louisiana Animal Welfare
18	Fund Escrow Account within the state treasury no more than one hundred twenty
19	days from the due date of the return.
20	Section 10. R.S. 47:318(D) as amended by Section 15 of Act No. 612 of the 2018
21	Regular Session is hereby amended and reenacted to read as follows:
22	§318. Disposition of collections
23	* * *
24	D. After satisfying the requirements of Subsection B of this Section, the
25	remaining portion of the amount determined pursuant to Subsection A of this Section
26	shall be deposited in the Louisiana Economic Development Fund created by R.S.
27	51:2315 dedicated exclusively to the Louisiana FastStart Program Louisiana
28	Economic Development - Debt Service and State Commitments .
29	Section 11. R.S. 49:308.5(B)(3) and (4), (C)(1), the introductory paragraph of

reserves for expenditures for the administration of the fund that the Department of

1	308.5(C)(3)(a), and (E) are hereby amended and reenacted to read as follows:
2	§308.5. Legislative review and recommendation on special funds and dedication of
3	money
4	* * *
5	B.(1) * * *
6	(3)(a) No later than October 1, 2017, and every two years thereafter, 2019,
7	the division of administration shall submit a plan of <u>all</u> special funds and dedications
8	that contain fees and self-generated revenues of the special dedicated funds in
9	law as of the date of the submission of the plan to the Joint Legislative Committee
10	on the Budget that specifies at least fifty percent of the special dedicated funds in law
11	as of the date of the submission of the plan. The Joint Legislative Committee on the
12	Budget shall review the plan and may add special funds to the plan submitted by the
13	division of administration prior to approval by the committee. The Dedicated Fund
14	Review Subcommittee of the Joint Legislative Committee on the Budget,
15	hereinafter referred to as "the subcommittee", shall meet and review each
16	dedicated fund that contains fees and self-generated revenues prior to the 2020
17	Regular Session of the Legislature.
18	$(b) \underline{\textbf{Beginning February 1, 2020, and every four years the reafter, the state}}$
19	treasurer's office shall submit a list of all dedicated funds and statutorily
20	dedicated fund accounts in law as of the date of the submission of the list, to the
21	Joint Legislative Committee on the Budget.
22	(c) The Joint Legislative Committee on the Budget shall review each
23	submitted list and may add special funds and statutorily dedicated fund
24	accounts to the lists submitted by the state treasurer's office.
25	(d) The Joint Legislative Committee on the Budget shall ensure that after two
26	consecutive plans have been approved, all special funds established by law-date of
27	the submission of the second consecutive plan will have been on the, including will
28	have been approved in a plan at least once in the previous four years. all statutorily
29	dedicated fund accounts, will have been included in the list and reviewed at least

once every four years.

(4) Once the plan for review of special funds is approved by the Joint Legislative Committee on the Budget, the Dedicated Fund Review Subcommittee of the Joint Legislative Committee on the budget, hereinafter referred to as "the The Joint Legislative Committee on the Budget shall devise a plan for the subcommittee to review. The subcommittee", shall conduct a review of the special funds and dedications funds, dedications, and statutorily dedicated fund accounts specified in each such plan, resulting in a recommendation for each specified fund, dedication, or statutorily dedicated fund account in the plan. The subcommittee shall meet only on a day in which the Joint Legislative Committee on the Budget is scheduled to convene. The subcommittee shall meet at least once every two years and may hold other meetings upon the call of the chairperson or majority of the members.

C.(1) No later than fifteen days after the approval of the plan by the Joint Legislative Committee on the Budget, the subcommittee shall cause to be posted on the website of the Louisiana Legislature, notification of a hearing schedule which shall include a date for presentation and discussion of each specified special fund, dedication, or statutorily dedicated fund account in the approved plan. Additionally, the Joint Legislative Committee on the Budget shall notify the commissioner of administration and the treasurer of the hearing schedule. The commissioner of administration state treasurer's office shall notify any agency or entity receiving an appropriation from a special fund, dedication, or statutorily dedicated fund specified in the plan in the previous five fiscal years of the hearing schedule.

* * *

(3)(a) No later than thirty days after the approval of the plan, the head of each agency or entity receiving an appropriation or allocation from the <u>a</u> special dedicated fund within the previous five years <u>fund</u>, <u>dedication</u>, <u>or statutorily dedicated fund</u> account included in the plan shall submit to the subcommittee the following:

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2	E. No later than February 15, 2018, and every two years thereafter, the The
3	Joint Legislative Committee on the Budget shall report the findings and
4	recommendations of each biennial review to the presiding officer of each house of
5	the legislature for electronic distribution to each member of the legislature, the
6	governor, the treasurer, and the commissioner of administration.
7	Section 12. R.S. 51:2315(A) as amended by Section 17 of Act No. 612 of the 2018
8	Regular Session is hereby amended and reenacted to read as follows:
9	§2315. Louisiana Economic Development Fund
10	A. There is hereby established within the state treasury a fund to be known
11	as the "Louisiana Economic Development Fund". All monies received by the
12	corporation shall be deposited to the account of the Louisiana Economic
13	Development Fund. Monies received by the corporation pursuant to R.S. 47:318(A)
14	shall be used solely for the Louisiana FastStart Program Louisiana Economic
15	Development - Debt Service and State Commitments .
16	* * *
17	Section 13. R.S. 56:279(C)(1) and (2) as amended by Section 18 of Act No. 612 of
18	the 2018 Regular Session of the Legislature is hereby amended and reenacted to read as
19	follows:
20	§279. Louisiana Alligator Resource Dedicated Fund Account
21	* * *
22	C.(1) Except as otherwise provided by law, all revenues received by the state
23	from the sale of licenses as provided in R.S. 56:251(A)(2), from tag fees imposed on
24	alligator hunters, alligator farmers, alligator shipping label fees on the sale of
25	alligators, all revenues derived from the sale of alligators, alligator skins, or alligator

eggs harvested from department-administered lands, all fees derived from alligator

lottery harvest programs on department-administered lands and public waters, and

all revenues derived from any other alligator-related fees and from the severance tax

on alligator skins provided for in R.S. 56:256 shall be credited by the state treasurer

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1 to a special account designated as the "Louisiana Alligator Resource Dedicated 2 Fund Account" after those revenues have been deposited in the Bond Security and 3 Redemption Fund. Out of the funds remaining in the Bond Security and Redemption 4 Fund after a sufficient amount is allocated from that fund to pay all obligations 5 secured by the full faith and credit of the state that become due and payable within 6 each fiscal year, the treasurer shall classify and consider as fees and self-generated 7 revenues available for appropriation as recognized by the Revenue Estimating 8 Conference, and, prior to placing such funds in the state general fund, shall pay into 9 the Louisiana Alligator Resource Account, a special agency account to be retained 10 for future appropriation as provided in this Subpart, an amount equal to the revenues 11 generated from collection from those sources provided for in this Section and other 12 sources as provided by law. Funding deposited into this account shall be 13 presented as a distinct means of finance in the executive budget and shall be 14 available for annual appropriation by the legislature. (2) The state treasurer shall invest the monies in this statutorily 15 16 dedicated fund account in the same manner as monies in the state general fund. Any surplus monies remaining to the credit of the account, after all appropriations 17 of the preceding fiscal year have been made, shall remain to the credit of the account. 18 19 The state treasurer shall prepare and submit to the department on a quarterly basis a printed report showing the amount of money contained in the account from all 20 21 sources. Any amounts earned through investment of the monies in the account 22 shall remain to the credit of the account and shall not revert to the state general 23 fund. 24 Section 14. Code of Criminal Procedure Article 895.1(E) as amended by Section 1 25 26

Section 14. Code of Criminal Procedure Article 895.1(E) as amended by Section 1 of Act No. 260 of the 2017 Regular Session of the Legislature and as amended by Act No. 137 of the 2018 Regular Session of the Legislature is amended and reenacted to read as follows:

Art. 895.1. Probation; restitution; judgment for restitution; fees

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E. When the court places any defendant convicted of a violation of the Uniform Controlled Dangerous Substances Law, R.S. 40:966 through 1034, on any type of probation, it shall order as a condition of probation a fee of not less than fifty nor more than one hundred dollars, payable to the Louisiana Commission on Law Enforcement and Administration of Criminal Justice to be credited to the Drug Abuse Education and Treatment Fund Dedicated Fund Account and used for the purposes provided in R.S. 15:1224.

* * *

Section 15. Code of Criminal Procedure Article 895.1(F)(2) as amended by Section 19 of Act No. 612 of the 2018 Regular Session of the Legislature is hereby amended and reenacted to read as follows:

Art. 895.1. Probation; restitution; judgment for restitution; fees

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F. When the court places the defendant on supervised probation, it shall order as a condition of probation the payment of a monthly fee of eleven dollars. The monthly fee established in this Paragraph shall be in addition to the fee established in Paragraph C of this Article and shall be collected by the Department of Public Safety and Corrections and shall be transmitted, deposited, appropriated, and used in accordance with the following provisions:

* * *

(2) After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, and prior to monies being placed in the state general fund, the treasurer shall classify and consider as fees and self-generated revenues available for appropriation as recognized by the Revenue Estimating Conference, credit an amount equal to that deposited as required by Subparagraph (1) of this Paragraph shall be credited to a special agency account to be retained for future appropriation as provided in this Article which is hereby created in the state treasury to be known as the "Sex

1	Offender Registry Technology Account". The monies in this account shall be used
2	solely as provided in Subparagraph (3) of this Paragraph and only in the amounts
3	appropriated by the legislature. Funding deposited into this account shall be
4	presented as a distinct means of finance in the executive budget and shall be
5	available for annual appropriations by the legislature.
6	* * *
7	Section 16. The provisions of R.S. 24:653(N)(3), as amended by Section 18 of Act
8	No. 612 of the Regular Session of the Legislature, and R.S. 49:308.5(B) as amended by
9	Section 16 of Act No. 612 of the Regular Session of the Legislature are hereby repealed in
10	their entirety.
11	Section 17. The provisions of R.S. 39:100.26 and 100.41 are hereby repealed in their
12	entirety.
13	Section 18. The state treasurer is hereby authorized and directed to transfer any
14	unencumbered balances remaining in the funds repealed and abolished in Sections 1
15	through 12 of this Act to the state general fund after satisfying the appropriations for
16	Fiscal Year 2019-2020. This Section shall not apply to any fund converted to a
17	statutorily dedicated fund account or escrow account in this Act.
18	Section 19. (A) Notwithstanding the provisions of Act No. 612 of the 2018
19	Regular Session, the following funds which were converted to accounts in Act No. 612
20	of the 2018 Regular Session shall be considered as statutorily dedicated fund accounts
21	containing fees and self-generated revenues, as follows:
22	(1) The Administrative Fund of the Department of Insurance created in R.S.
23	22:1071, shall be renamed the Administrative Dedicated Fund Account of the
24	Department of Insurance.
25	(2) The Emergency Medical Technician Fund created in R.S. 40:1135.10, shall
26	be renamed the Emergency Medical Technician Dedicated Fund Account.
27	(3) The Environmental Trust Fund created in R.S. 30:2015 shall be renamed the
28	Environmental Trust Dedicated Fund Account.
29	(4) The Louisiana Alligator Resource Fund created in R.S. 56:279 shall be

1	renamed the Louisiana Alligator Resource Dedicated Fund Account.
2	(5) The Louisiana Bicycle and Pedestrian Safety Fund created in R.S. 32:202
3	shall be renamed the Louisiana Bicycle and Pedestrian Safety Dedicated Fund Account.
4	(6) The Motorcycle Safety, Awareness, and Operator Training Program Fund
5	created in R.S. 32:412 shall be renamed the Motorcycle Safety, Awareness, and
6	Operator Training Program Dedicated Fund Account.
7	(7) The Municipal Fire and Police Civil Service Operating Fund created in R.S.
8	22:1476 shall be renamed the Municipal Fire and Police Civil Service Operating
9	Dedicated Fund Account.
10	(8) The Proprietary School Student Protection Fund created in R.S. 17:3141.16
11	shall be renamed the Proprietary School Student Protection Dedicated Fund Account.
12	(9) The Sex Offender Registry Technology Fund created in Code of Criminal
13	Procedure Article 895.1 shall be renamed the Sex Offender Registry Technology
14	Dedicated Fund Account.
15	(10) The Youthful Offender Management Fund created in R.S. 15:921 shall be
16	renamed the Youthful Offender Management Dedicated Fund Account.
17	(B) The Louisiana State Law Institute is hereby directed, pursuant to its
18	authority in R.S. 24:253, to correct any reference in any Code or the Louisiana Revised
19	Statutes of 1950 to reflect the changes to the funds and accounts listed in Subsection A
20	of this Section.
21	Section 20. The provisions of this Section and Sections 11 and 17 shall become
22	effective on July 1, 2019; if vetoed by the governor and subsequently approved by the
23	legislature, this Section and Sections 11 and 17 shall become effective on July 1, 2019. The
24	provisions of Sections 1 through 10, 12 through 16, 18, and 19 of this Act shall become
25	effective on July 1, 2020. If vetoed by the governor and subsequently approved by the
26	legislature, Sections 1 through 10, 12 through 16, 18, and 19 of this Act shall become
27	effective on July 1, 2020.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

DIGEST

SB 181 Reengrossed 2019 Regular Session

Hewitt

<u>Proposed law</u> abolishes certain funds in the state treasury, as follows:

DEDICATED FUNDS ELIMINATED BY PROPOSED LAW

FEMA Reimbursement Fund R.S. 39:100.26

Louisiana Interoperability Communications Fund R.S. 39:100.41

<u>Proposed law</u> amends certain funds <u>from</u> being dedicated funds in the state treasury <u>to</u> being statutorily dedicated fund accounts in the state treasury, which contain fees and self-generated revenues and which shall be presented as a distinct means of finance in the executive budget as follows:

DEDICATED FUNDS AMENDED \underline{FROM} FUNDS \underline{TO} DEDICATED FUND ACCOUNTS

Battered Women's Shelter Fund R.S. 13:998(B) and (C),

1141(B), and 1414(B)

Drug Abuse Education and Treatment Fund R.S. 15:1224(A), (B), and (C);

CCRP 895.1 as amended by Act 260 of 2017 R.S. and Act

137 of 2018 R.S.

<u>Proposed law</u> amends <u>present law</u> to clarify that unless specifically provided otherwise in the statute establishing the dedicated fund account, hereinafter referred to as the "account", the monies in the accounts shall be invested by the treasurer in the same manner as the state general fund, and interest earnings shall be deposited into the account following compliance with the requirements the Bond Security and Redemption Fund, and shall not be deposited into the general fund.

<u>Proposed law</u> changes the Louisiana Animal Welfare Fund to an escrow fund.

<u>Proposed law</u> also corrects cross-references to funds and accounts revised in <u>proposed law</u> and makes technical corrections, which funds are listed below:

DEDICATED FUNDS OR ACCOUNTS OTHERWISE AMENDED BY PROPOSED LAW

Louisiana Alligator Resource Account R.S. 56:279(C)(1) as amended

by Act 612 of the 2018 R.S.

Louisiana Animal Welfare Fund R.S. 47:120.71

State Emergency Response Fund R.S. 39:100.3(B)

Sex Offender Registry Technology Account CCRP 895.1(E) as amended

by Act 612 of the 2018 R.S.

Louisiana Economic Development Fund R.S. 23:1514(D)(5), R.S.

47:318(D), R.S. 51:2315(A)

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Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

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DEDICATED FUNDS RECREATED BY PROPOSED LAW

Fiscal Administrator Revolving Loan Fund

R.S. 39:1357

<u>Proposed law</u> corrects the names of eleven funds which were amended in Act 612 of the 2018 R.S. which converted the funds to an account, by considering those accounts as statutorily dedicated fund accounts containing fees and self-generated revenues to be presented as a distinct means of finance in the executive budget, as follows:

- (1) Administrative Dedicated Fund Account of the Department of Insurance.
- (2) Emergency Medical Technician Dedicated Fund Account.
- (3) Environmental Trust Dedicated Fund Account.
- (4) Louisiana Alligator Resource Dedicated Fund Account.
- (5) Louisiana Bicycle and Pedestrian Safety Dedicated Fund Account.
- (6) Motorcycle Safety, Awareness, and Operator Training Program Dedicated Fund Account.
- (7) Municipal Fire and Police Civil Service Operating Dedicated Fund Account.
- (8) Proprietary School Student Protection Dedicated Fund Account.
- (9) Sex Offender Registry Technology Dedicated Fund Account.
- (10) Youthful Offender Management Dedicated Fund Account.

<u>Proposed law</u> directs the Louisiana State Law Institute to correct references in any Code or the Louisiana Revised Statutes to reflect the changes made to the funds and accounts listed in this section of <u>proposed law</u>.

<u>Present law provides relative to the plan of review of certain treasury funds by the Dedicated Fund Review Subcommittee (subcommittee) of the Joint Legislative Committee on the Budget (JLCB). <u>Present law provides that no later than October 1, 2017, and every two years thereafter, the division of administration shall submit a plan of special funds and dedications to the subcommittee. Further provides that no later than September 1, 2017, and every two years thereafter, the JLCB shall provide for the subcommittee.</u></u>

<u>Proposed law</u> revises <u>present law</u> to provide that beginning July 1, 2019, and no later than October 1, 2019, the division of administration shall submit a plan of special funds and dedications that contain fees and self-generated revenues to the JLCB. The subcommittee shall meet and review each dedicated fund that contains fees and self-generated revenues prior to the 2020 R.S.

<u>Proposed law</u> provides that beginning February 1, 2020, and every four years thereafter, the state treasurer's office shall submit a list of special funds, dedications, and statutorily dedicated fund accounts to the JLCB. The JLCB shall devise a plan for the Dedicated Fund Review Subcommittee to review. <u>Proposed law</u> removes references to September 1, 2017, and October 1, 2017.

<u>Present law</u> provides that the JLCB shall ensure that all special funds established by law on the date of the submission of the second consecutive plan will have been approved in a plan at least once in the previous four years.

<u>Proposed law</u> provides that the JLCB shall ensure that all special funds, dedications, and statutorily dedicated fund accounts shall be reviewed by the subcommittee at least once every four years.

<u>Proposed law</u> provides that the subcommittee shall meet at least once every two years and may hold other meetings upon the call of the chairperson or majority of the members.

<u>Proposed law</u> clarifies that funds converted to a statutorily dedicated fund account or escrow account shall not be considered as revoked or repealed.

Effective July 1, 2019.

(Amends R.S. 13:998(B) and (C), 1141(B), and 1414(B); R.S. 15:1224(A), (B), and (C); R.S. 17:1519.6(A), R.S. 23:1514(D)(5) as amended by Acts 2018, No.612, §7; R.S. 39:100.31(B) and 1357; R.S. 47:120.71(B); R.S. 47:318(D) as amended by Acts 2018, No. 612, §15; R.S. 49:308.5(B)(3) and (4), (C)(1), (C)(3)(a)(intro para), and (E); R.S. 51:2315(A) as amended by Acts 2018, No. 612, §17; R.S. 56:279(C)(1) and (2) both as amended by Acts 2018, No. 612, §18; C.Cr.P. Art. 895.1(E) as amended by Acts 2017, No. 260, §1 and Acts 2018, No. 137; C.Cr.P. Art. 895.1(F)(2) as amended by Acts 2018, No. 612, §19; Sections 1 and 24 of Acts 2018, No. 612, §8; repeals R.S. 24:653(N)(3) as amended by Acts 2018, No. 612, §8; R.S. 39:100.26 and 100.41, R.S. 49:308.5(B) as amended by Acts 2018, No. 612, §16)

Summary of Amendments Adopted by Senate

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

- 1. Changes names of certain dedicated funds or accounts to statutorily dedicated fund accounts.
- 2. Revises references to fees and self-generated revenues to provide that monies in statutorily dedicated fund accounts shall be presented as a distinct means of finance in the executive budget.
- 3. Clarifies that funds converted to a statutorily dedicated fund account or escrow account shall not be considered as revoked or repealed.

Senate Floor Amendments to engrossed bill

- 1. Makes technical amendment to remove statutory reference to previously repealed Health Care Services Fund.
- 2. Recreates the Fiscal Administrator Revolving Loan Fund, scheduled to be eliminated in <u>present law</u>.
- 3. Technical amendment corrects name of Department of Economic Development budget unit for which certain monies in the Louisiana Economic Development Fund are to be used in present law.
- 4. Makes technical changes.