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

Proposed law 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 FROM FUNDS 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)

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 proposed law.

<u>Present law</u> 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</u> 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>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 present law.
- 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 <u>present law</u>.
- 4. Makes technical changes.