

2020 First Extraordinary Session

HOUSE BILL NO. 15

BY REPRESENTATIVE IVEY

BUDGETARY CONTROLS: Establishes the State Budget Authority Reserve Trust for use as an extra source of revenue for executive department agencies (Item #11)

1 AN ACT

2 To enact Subpart U of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana
3 Revised Statutes of 1950, to be comprised of R.S. 39:100.161, relative to state funds;
4 to establish the State Budget Authority Reserve Trust as a special treasury fund; to
5 provide for the sources and uses of monies in the fund; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Subpart U of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
9 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.161, is hereby enacted to read
10 as follows:

11 SUBPART U. STATE BUDGET AUTHORITY RESERVE TRUST

12 §100.161. State Budget Authority Reserve Trust

13 A. The State Budget Authority Reserve Trust is hereby established in the
14 state treasury as a special fund, hereinafter referred to as the "trust".

15 B.(1) Except as provided in Paragraph (2) of this Subsection, the treasurer
16 shall deposit an amount equal to one percent of all revenues that flow through the
17 Bond Security and Redemption Fund as provided for in Article VII, Section 9(B) of
18 the Constitution of Louisiana for appropriation from the state general fund into the
19 fund.

1 (2) Monies in the state general fund that are received by the state or by any
2 state board, agency, or commission, but pledged in connection with the issuance of
3 bonds shall not be deposited into the fund.

4 C. The monies in the trust shall be invested in the same manner as monies
5 in the state general fund and all interest earned on the investment of the trust shall
6 be deposited in and credited to the trust.

7 D. Appropriation from the trust shall only be made as follows:

8 (1) An agency may apply to the commissioner of administration and the
9 Joint Legislative Committee on the Budget for an increase in budget authority to be
10 funded by a transfer from the trust.

11 (2) Any increase in revenues appropriated to an agency pursuant to the
12 provisions of this Paragraph shall be available for allotment and expenditure by an
13 agency on approval of the increase in the agency's budget authority by the
14 commissioner of administration and the Joint Legislative Committee on the Budget.

15 E. All unexpended and unencumbered monies in the trust at the end of the
16 fiscal year shall be recognized as non-recurring revenue by the Revenue Estimating
17 Conference and shall be eligible for appropriation in accordance with the provisions
18 of Article VII, Section 10 of the Constitution of Louisiana.

19 F. Not less than quarterly, the treasurer shall report to the commissioner of
20 administration and the Joint Legislative Committee on the Budget the total amount
21 of funds available for distribution from the trust.

22 Section 2. The provisions of this Act shall become effective July 1, 2020.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 15 Original

2020 First Extraordinary Session

Ivey

Abstract: Creates the State Budget Authority Reserve Trust to be used as an extra source of revenue for executive department agencies.

Proposed law establishes the State Budget Authority Reserve Trust to be used as an extra source of revenue for executive department agencies. Further requires 1% of all monies that

flow through the Bond Security and Redemption Fund for appropriation from the state general fund, except for monies pledged in connection with issuance of bonds, be deposited into the fund.

Proposed law authorizes the commissioner of administration acting in concert with the Joint Legislative Committee on the Budget to allocate revenues from the trust to agencies who apply for increased budget authority.

Proposed law further provides that unexpended money in the trust at the end of a fiscal year must be recognized as non-recurring revenue by the Revenue Estimating Conference and shall be eligible for appropriation in accordance with present constitution (Art. VII, §10).

Further requires the treasurer to report not less than quarterly to the commissioner of administration and the Joint Legislative Committee on the Budget the total amount of funds available for distribution from the trust.

Effective July 1, 2020.

(Adds R.S. 39:100.161)