

2022 Regular Session

HOUSE BILL NO. 982

BY REPRESENTATIVE DUPLESSIS

FUNDS/FUNDING: Establishes the Future of Louisiana Program and provides for the administration of, distributions from, and qualifications for such program

1 AN ACT

2 To amend and reenact R.S. 44:4.1(B)(31) and to enact Part V of Chapter 3 of Title 46 of the

3 Louisiana Revised Statutes of 1950, to be comprised of R.S. 46:421 through 421.5,

4 relative to the Future of Louisiana Program; to establish the program; to provide

5 relative to administration, qualification, rules, distributions, and funds of the

6 program; to establish a committee to review the program and report on its progress;

7 to provide relative to confidential information; to except certain information from

8 laws relative to public records; to provide for waivers of certain rights in exchange

9 for participation in the program; to provide with respect to the power and duties of

10 the secretary of the Louisiana Department of Health; to provide with respect to the

11 powers and duties of the state treasurer; to provide for an effective date; and to

12 provide for related matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. The legislature finds that despite its vast cultural wealth, poverty poses

15 a barrier to many citizens' unfettered pursuit of the American dream. Wealth disparities can

16 hinder children born into less affluent circumstances in attaining education and economic

17 security. To help move Louisiana forward and invest in our greatest asset, the legislature

18 hereby establishes the Future of Louisiana Program to combat wealth disparities and give

19 all children born in Louisiana the chance to build futures here that will improve our state and

20 their own lives. The legislature hereby declares the Future of Louisiana Program to be a

1 necessary public purpose. By giving qualifying individuals a measure of financial stability
2 to achieve their educational, entrepreneurial, or housing dreams, the legislature seeks to
3 improve the state's economy through strategic investment and decrease the numbers of future
4 children born into wealth inequity by helping new generations build their own financial
5 security.

6 Section 2. R.S. 44:4.1(B)(31) is hereby amended and reenacted to read as follows:

7 §4.1. Exceptions

8 * * *

9 B. The legislature further recognizes that there exist exceptions, exemptions,
10 and limitations to the laws pertaining to public records throughout the revised
11 statutes and codes of this state. Therefore, the following exceptions, exemptions, and
12 limitations are hereby continued in effect by incorporation into this Chapter by
13 citation:

14 * * *

15 (31) R.S. 46:56, 236.1.1 through 238, 284, 286.1, 421 through 421.5, 439.1,
16 446.1, 1073, 1355, 1806, 1844, 1862, 1923, 2124.1, 2134, 2187, 2356, 2416, 2603,
17 2625

18 * * *

19 Section 3. Part V of Chapter 3 of Title 46 of the Louisiana Revised Statutes of 1950,
20 comprised of R.S. 46:421 through 421.5, is hereby enacted to read as follows:

21 PART V. FUTURE OF LOUISIANA PROGRAM

22 §421. Definitions

23 As provided in this Section, the following terms shall have the following
24 meanings in this Part, unless context clearly requires otherwise:

25 (1) "Beneficiary" means a Louisiana domiciliary who meets all of the
26 following criteria:

27 (a) Was born in Louisiana on or after July 1, 2024.

28 (b) Whose birth was eligible for or covered by Medicaid.

29 (2) "Department" means the Louisiana Department of Health.

1 (3) "Eligible expenditure" means an outlay of funds by a beneficiary
2 associated with any of the following:

3 (a) Postsecondary education of the beneficiary in Louisiana, including
4 universities, colleges, community and technical schools, trade schools,
5 apprenticeships, and technical certifications and licensures.

6 (b) Purchase of a home in Louisiana by the beneficiary.

7 (c) Formation of a business in Louisiana by the beneficiary.

8 (4) "Fund" means the Future of Louisiana Fund established in the state
9 treasury pursuant to the provisions of this Part.

10 (5) "Program" means the Future of Louisiana Program established pursuant
11 to the provisions of this Part.

12 §421.1. Future of Louisiana Program; creation

13 A. The Future of Louisiana Program is hereby established in the Louisiana
14 Department of Health to provide financial security to Louisiana babies whose birth
15 is eligible for or covered by Medicaid. The program shall be administered by the
16 Louisiana Department of Health and shall provide each qualified beneficiary with
17 a lump sum payment that can be used to build financial security.

18 B.(1) Beginning January 1, 2025, between January first and January thirtieth
19 each year, the secretary of the department shall submit to the state treasurer a
20 certification of the number of babies born alive in this state in the immediately prior
21 fiscal year who meet all of the following criteria:

22 (a) Whose birth was eligible for or covered by Medicaid.

23 (b) Whose parent did not opt the beneficiary out of the program at the time
24 of birth.

25 (2) Upon receipt of the certification issued pursuant to Paragraph (1) of this
26 Subsection, the treasurer shall transfer into the fund an amount equal to that year's
27 certified number times three thousand five hundred dollars, as provided in R.S.
28 46:421.4.

1 C.(1) A qualifying beneficiary shall be entitled to a lump-sum distribution
2 of all monies held for him in the fund, which shall include the initial investment
3 made after his birth and the net amount of interest earned thereon through the date
4 the application is submitted. To qualify for a payment under the program, a
5 beneficiary shall:

6 (a) Submit an application on the form developed for the program by the
7 department.

8 (b) Submit the application no earlier than his eighteenth birthday and no later
9 than his thirty-fifth birthday.

10 (c) Certify that the monies received will be used for an eligible expenditure
11 within sixty months of distribution.

12 (2) A qualifying beneficiary shall not receive less than three thousand five
13 hundred dollars from the program.

14 D. The department shall review each completed application to determine an
15 applicant's eligibility for payment pursuant to the program. Upon approval of an
16 application, the department shall transmit the applicant's name, address to which
17 payment shall be mailed, applicant's date of birth, and date of the application to the
18 Department of the Treasury for payment.

19 E.(1) If a beneficiary dies before submitting a valid claim for payment from
20 the program or does not submit a valid claim before the beneficiary's thirty-fifth
21 birthday, monies in the fund held for such beneficiary shall be forfeit.

22 (2)(a) Each year, at the same time the secretary submits the certification
23 required pursuant to Subsection B of this Section, the secretary shall also submit to
24 the treasurer a certified list that does not contain personally identifiable information
25 listing the following:

26 (i) Individuals enrolled in the program who have attained the age of thirty-
27 five and no longer qualify to submit an application for payment.

1 (ii) Individuals enrolled in the program who have not attained age thirty-five
2 and who have not submitted a valid claim for payment but are deceased, including
3 the date of birth of the individual and the date of death.

4 (b) The treasurer shall calculate the amounts held in the fund for each such
5 entry on the list submitted pursuant to Subparagraph (a) of this Paragraph and
6 transfer the aggregate amount of all such funds associated with the list to the state
7 general fund.

8 F. Any disclosure of confidential information made for administration of the
9 program is mandatory for the purposes of the federal Health Insurance Portability
10 and Accountability Act.

11 G. Monies held in the fund pursuant to the provisions of this Part for a
12 beneficiary shall not:

13 (1) Be considered assets for purposes of determining an individual's
14 eligibility for assistance under any program administered by the department or the
15 Department of Children and Family Services.

16 (2) Be considered assets for purposes of determining an individual's
17 eligibility for need-based or other aid grants offered to an individual at a public
18 elementary, secondary, or postsecondary educational facility in this state.

19 H. The department shall promulgate rules in accordance with the
20 Administrative Procedure Act necessary to carry out the provisions of this Part,
21 including but not limited to rules regarding:

22 (1) The claims process for receipt and distribution of funds.

23 (2) Determination of eligibility at the time the beneficiary files his claim.

24 (3) Controls for fraud and ensuring funds are used for eligible expenditures.

25 (4) Reversion to the state general fund of unclaimed monies.

26 (5) Appeals of denied claims.

27 (6) Process for the parent giving birth to opt out of the program on behalf of
28 the beneficiary at the time of birth.

29 (7) Safeguards for protected health information.

1 (8) Processes and procedures for establishing accountings for each child
2 enrolled in the program, upon request of a parent or guardian.

3 §421.2. Future of Louisiana Committee; establishment; powers and duties

4 A. The Future of Louisiana Committee, hereafter referred to in this Section
5 as the committee, is established to advise the legislature on the progress of the Future
6 of Louisiana Program. The membership of the committee shall be as follows:

7 (1) The speaker of the House of Representatives shall appoint two members,
8 one from each of the two largest legislative caucuses.

9 (2) The president of the Senate shall appoint two members, one from each
10 of the two largest legislative caucuses.

11 (3) The state treasurer, or his designee.

12 (4) The secretary of the department, or his designee.

13 (5) The secretary of the Department of Children and Family Services, or his
14 designee.

15 B. The committee shall be chaired by the secretary of the department. The
16 secretary shall call the first meeting of the committee no later than July 1, 2023.

17 Subsequent meetings shall be held as follows:

18 (1) At least one meeting each year through 2034.

19 (2) At least two meetings each year in 2035 through 2039.

20 (3) At least quarterly meetings in 2040 through 2042.

21 C. All appointed members shall serve terms concurrent with that of their
22 appointing authority. Other members shall serve four-year terms. Vacancies shall
23 be filled in the manner of the original appointment and for the remainder of the term.

24 D. The committee shall periodically review the program to ensure it will
25 achieve its goals and, in addition, shall review the following topics and report to the
26 legislature on:

27 (1) Efficient distribution of funds in accordance with the intent of the
28 program.

1 (2) The beneficiary's use of funds to ensure compliance with program
2 requirements.

3 (3) The program's impact on generational wealth inequities.

4 (4) Evaluation of fund solvency and performance relative to programmatic
5 objectives and goals.

6 (5) Recommendations for improvements or changes to the program.

7 (6) Other matters or issues that may arise in relation to the program and its
8 administration or objectives.

9 E. The committee shall be staffed by the department.

10 F. Legislative members of the committee shall receive the same per diem and
11 travel allowance in the performance of their duties as is provided for standing
12 committees of the legislature. Such per diem shall be paid by the respective
13 member's legislative body. Nonlegislative members are not entitled to per diem but
14 may be reimbursed for travel expenses incurred in conformity with state travel
15 regulations.

16 G. The provisions of this section shall terminate on January 1, 2043.

17 §421.3. Protection of information

18 A. Notwithstanding any provision of law to the contrary, personally
19 identifying information of a beneficiary disclosed for the purposes of participation
20 in the program, including receipt of a payment from the fund, is not a public record.

21 §421.4. Future of Louisiana Fund; creation

22 A. There is hereby established in the state treasury, as a special fund, the
23 Future of Louisiana Fund, hereafter referred to in this Section as the fund. Each
24 fiscal year, after compliance with the provisions of Article VII, Section 9(B) of the
25 Constitution of Louisiana and receipt of certification as required by R.S. 46:421.1,
26 the state treasurer is authorized and directed to transfer from the state general fund
27 and deposit into the fund an amount equal to the product of the certified number of
28 qualified births in the state pursuant to R.S. 46:421.1 times three thousand five
29 hundred dollars. Monies in the fund shall be invested in the same manner as monies

1 in the state general fund. Interest earned on investment of monies in the fund shall
2 be credited to the fund. Unexpended and unencumbered monies in the fund at the
3 end of the fiscal year shall remain in the fund. The Louisiana Department of Health
4 and the Department of the Treasury shall have exclusive use of the monies in the
5 fund for carrying out the purposes of this Part.

6 §421.5. Limitation of rights

7 Notwithstanding any provision of law to the contrary, participation in the
8 program waives the right of any beneficiary and any parent, guardian, or curator of
9 such beneficiary to challenge the amount of the beneficiary's payment from the
10 program and to file any action against the state or its agencies relative to the
11 investment, management, accounting, or crediting of funds for a beneficiary.

12 Section 4. This Act shall become effective upon signature by the governor or, if not
13 signed by the governor, upon expiration of the time for bills to become law without signature
14 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
15 vetoed by the governor and subsequently approved by the legislature, this Act shall become
16 effective on the day following such approval.

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 982 Original

2022 Regular Session

Duplessis

Abstract: Establishes the Future of Louisiana Program (program) in the La. Dept. of Health (department) to provide qualified beneficiaries with a lump-sum payment to put towards postsecondary education, the purchase of a home, or the formation of a business, as explained in more detail below.

Proposed law establishes the Future of Louisiana Fund (fund) and requires the treasurer to deposit \$3,500 into the fund each year for each baby born in the immediately prior fiscal year who was eligible for or covered by Medicaid (if the parent did not opt the child out of the program at birth). Requires the secretary of the department to certify the number of qualifying children to the treasurer each year so the deposit into the fund can be made.

Proposed law authorizes a beneficiary who is between the ages of 18 and 35 and whose parent did not opt him out of the program at birth to apply for payment from the program. Defines "beneficiary" to mean a La. domiciliary who was born in La. on or after July 1, 2024, and whose birth was eligible for or covered by Medicaid. The payment will be a lump-sum based on the initial amount deposited on the beneficiary's behalf after birth, plus the net of all interest attributable to such sum through the date of the beneficiary's

application. Requires the beneficiary to certify that payment received pursuant to proposed law will be used within five years for costs associated with any of the following:

- (1) Postsecondary education of the beneficiary in La., including universities, colleges, community and technical schools, trade schools, apprenticeships, and technical certifications and licensures.
- (2) Purchase of a home in La. by the beneficiary.
- (3) Formation of a business in La. by the beneficiary.

Proposed law provides that a qualifying beneficiary shall not receive less than \$3,500 from the fund.

Proposed law further provides that if a beneficiary dies before submitting a valid claim for payment from the program or does not submit a valid claim before his 35th birthday, monies in the fund held for such beneficiary shall be forfeited and reverted to the state general fund by the treasurer. Requires the secretary to submit a list to the treasurer each year that does not contain personally identifiable information showing the ages of individuals enrolled in the program who are deceased or who no longer qualify for a distribution from the fund so that the treasurer can calculate the amount that must be remitted to the general fund.

Proposed law provides that for the purposes of federal health law (HIPAA), disclosures of confidential information made for enrollment and administration of the program are mandatory. Further provides that personally identifying information disclosed for the purposes of participation in the program, including receipt of a payment from the fund, is not a public record

Further provides that monies held in the fund for a beneficiary pursuant to proposed law shall not:

- (1) Be considered assets for purposes of determining an individual's eligibility for assistance under any program administered by the department or the Dept. of Children and Family Services.
- (2) Be considered assets for purposes of determining an individual's eligibility for need-based or other aid grants offered to an individual at a public elementary, secondary, or postsecondary educational facility in this state.

Proposed law requires the department to promulgate rules in accordance with the present law (Administrative Procedure Act) necessary to carry out the provisions of proposed law.

Proposed law establishes the fund in the state treasury for investment of monies held on behalf of program participants. Requires the treasurer to annually deposit monies into the fund on behalf of each qualifying baby born pursuant to proposed law. Provides that monies in the fund shall be invested in the same manner as monies in the state general fund. Provides for credit of interest to the fund and prohibits reversion to the state general fund of unexpended and unencumbered monies in the fund at the end of the fiscal year.

Proposed law establishes the Future of Louisiana Committee to advise the legislature on the progress of the Future of Louisiana Program. Requires the department to provide staff for the committee. Establishes the membership of the committee as follows:

- (1) The speaker of the House of Representatives shall appoint two members, one from each of the two largest legislative caucuses.
- (2) The president of the Senate shall appoint two members, one from each of the two largest legislative caucuses.

- (3) The state treasurer, or his designee.
- (4) The secretary of the department, or his designee.
- (5) The secretary of the Dept. of Children and Family Services, or his designee.

Proposed law further provides that the committee will be chaired by the secretary of the department. Requires the secretary to call the first meeting of the committee no later than July 1, 2023. Requires subsequent meetings to be held as follows:

- (1) At least one meeting each year through 2034.
- (2) At least two meetings each year in 2035 through 2039.
- (3) At least quarterly meetings in 2040 through 2042.

Proposed law provides for the terms of the members on the committee, for payment of per diem to legislative members, the payment of travel expenses, and for the filling of vacancies. Requires the committee to periodically review the program to ensure it will achieve its goals and to review the following topics and report to the legislature on:

- (1) Efficient distribution of funds in accordance with the intent of the program.
- (2) The beneficiary's use of funds to ensure compliance with program requirements.
- (3) The program's impact on generational wealth inequities.
- (4) Evaluation of fund solvency and performance relative to programmatic objectives and goals.
- (5) Recommendations for improvements or changes to the program.
- (6) Other matters or issues that may arise in relation to the program and its administration or objectives.

Proposed law provides that the committee terminates on Jan. 1, 2043.

Present law (R.S. 44:1 et seq.) establishes the Public Records Law, which in general makes all information created or held by state entities in the ordinary course of business subject to public inspection. Further establishes exceptions to this general rule. Proposed law retains present law and adds an exception to the Public Records Law for the Future of Louisiana Program.

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

(Amends R.S. 44:4.1(B)(31); Adds R.S. 46:421-421.5)