

HOUSE SUMMARY OF SENATE AMENDMENTS

HB 313
2026 Regular Session
McFarland
FUNDS/FUNDING: Provides for the transfer, deposit, and use of monies among state funds

Synopsis of Senate Amendments

1. Makes certain cash deposits out of the state general fund into certain special treasury funds in Fiscal Years 2025-2026 and 2026-2027.
2. Requires the treasurer to transfer monies from the state general fund to the Overcollections Fund in an amount equal to the amount of State General Fund (Direct) for each line item appropriation in the Acts that originated as HB Nos. 1 and 312 of the 26 R.S. that has a State General Fund (Direct) appropriation that is vetoed by the governor and not overridden by the legislature.
3. Requires the treasurer to transfer monies from the state general fund to the Overcollections Fund in an amount equal to the amount the governor reduces from HB No. 1 pursuant to his authority under La. Const. Art. VIII, Sec. 13(B), which reduction is consented to in writing by two-thirds of the elected members of each house of the legislature.
4. Deposits certain cash balances of state funds appropriated to the Department of Education remaining at the end of Fiscal Year 2025-2026 into the Louisiana Early Childhood Education Fund rather than the state general fund.
5. Establishes a minimum fund balance and allowable utilization percentage for Fiscal Year 2026-2027 for the Revenue Stabilization Trust Fund and authorizes appropriation from the fund for the purpose of addressing emergency conditions across the state in Fiscal Year 2026-2027.
6. Authorizes certain monies in the Local Revenue Fund to be used for infrastructure damaged by the installation of broadband infrastructure.
7. Requires monies distributed to eligible entities from the Hurricane Ida Recovery Fund be expended by June 30, 2027, and if not expended then returned to the state treasury by Aug. 1, 2027.
8. Provides for utilization of monies deposited into the La. Transportation Infrastructure Fund, Higher Education Campus Revitalization Fund, and La. Economic Development Initiatives Fund.
9. Establishes the Criminal Justice Technology Innovation Fund and the Strategic Investments Across Louisiana Fund.
10. Authorizes payment from the Self-Insurance Fund for extraordinary medical and dental expenses.
11. Limits aggregate payments out of the Self-Insurance Fund for law enforcement officers and firemen survivor and disability benefits and extraordinary medical and dental expenses to \$5 million annually.
12. Adds certain infrastructure sites that monies in the Regional Maintenance and Improvement Fund can be used to maintain, improve, and construct.
13. Increases from \$15 M to \$20 M the maximum amount of monies that may be deposited into the Dept. of Justice Legal Support Fund . Increases from \$15 M to \$20 M the amount of monies required to be deposited into the fund each year to achieve a minimum unencumbered balance.

- 14. Limits instances in which contracts that receive monies from the Major Events Incentive Fund require the approval of JLCB.
- 15. Directs the treasurer to invest monies in the Site Investment and Infrastructure Improvement Fund in a separate investment portfolio and allow for retention of such monies within the fund.
- 16. Provides that \$5,900,000 of monies deposited into the Site Investment and Infrastructure Improvement Fund shall serve as the repayment on behalf of the Vinton Harbor and Terminal District.
- 17. Provides for use of monies in the Local Infrastructure Fund and requires the Joint Legislative Committee on the Budget to adopt guidelines for use of those monies prior to implementation.
- 18. Make technical changes.

Proposed law transfers 25% of the FY 2024-2025 surplus (\$144,268,468) to the Budget Stabilization Fund.

Proposed law transfers the following amounts from the state general fund in the current fiscal year:

- (1) \$12,760,000 to the Voting Technology Fund.
- (2) \$5,000,000 to the Oil and Gas Regulatory Dedicated Fund Account.
- (3) \$1,000,000 to the Carbon Dioxide Geologic Storage Trust Fund.
- (4) \$892,093 to the Criminal Justice Priority Fund.
- (5) \$2,400,000 to the Federal Energy Settlement Fund.

Proposed law transfers the following amounts from the state general fund in Fiscal Year 2026-2027:

- (1) \$1,000,000 to the Reading Enrichment and Academic Deliverables Fund.
- (2) \$900,000 to the Imagination Library of Louisiana Fund.
- (3) \$500,000 to the Conservation Incentive Program Account.

La. Early Childhood Education Fund

Present law (R.S. 39:83) provides for remission of certain cash balances to the state treasurer at the end of a given fiscal year.

For Fiscal Year 2025-2026, proposed law requires the treasurer to deposit the cash balances of state funds appropriated to the Dept.of Education remaining at the end of the fiscal year into the La. Early Childhood Education Fund. Further provides exceptions for balances that would otherwise be retained in the respective fund and monies for which a bona fide liability exists at the end of the fiscal year.

Revenue Stabilization Trust Fund

Present constitution (Art. VII, Sec. 10.15) establishes the Revenue Stabilization Trust Fund and provides for the deposit, use, and investment of monies in the fund. Authorizes appropriation from the fund of up to 10% of the fund balance for specific purposes when the

balance at the beginning of the fiscal year exceeds \$5 B. Further authorizes the legislature to change the minimum fund balance and the allowable percentage in certain circumstances. In accordance with present constitution, proposed law lowers the minimum fund balance from \$2.2B to \$1.5B and increases the allowable percentage from 10% to 36% for Fiscal Year 2026-2027.

Present constitution also authorizes the legislature to appropriate from the fund at any time for any purpose if certain conditions are met.

In accordance with present constitution, proposed law authorizes appropriation from the Revenue Stabilization Trust Fund for the purpose of addressing emergency conditions across the state in Fiscal Year 2026-2027.

Local Revenue Fund

Present law (R.S. 39:100.118) establishes the Local Revenue Fund and provides for the deposit, use, and investment of monies in the fund.

Present law restricts use of monies in the fund to distribution to ad valorem tax recipient bodies to offset losses attributable to business inventory exemptions to the ad valorem tax granted by a parish. Proposed law further authorizes monies in the fund, up to \$5 M each year, to be used to reimburse political subdivisions for costs to repair infrastructure damaged by installation of broadband.

Local Infrastructure Fund

Present law (R.S. 39:100.256) establishes the Local Infrastructure Fund and provides for the deposit, use and investment of monies in the fund. Requires monies in the fund to be appropriated to the division of administration, office of community development for administration of reimbursements from the fund. Proposed law changes this to the office of public health within the La. Dept. of Health.

Present law requires the office of community development to develop guidelines for administration of monies in the fund and requires submission to the Water Sector Commission for approval prior to implementation. Proposed law requires the office of public health to develop guidelines and submit them to the Joint Legislative Committee on the Budget prior to implementation.

Hurricane Ida Recovery Fund

Present law (R.S. 39:100.171) establishes the Hurricane Ida Recovery Fund and provides for deposit, use, and investment of monies in the fund. Proposed law requires all monies received by a recipient entity pursuant to present law to be expended no later than June 30, 2027. Further requires remission to the state treasury no later than Aug. 1, 2027, of any monies not spent by the deadline.

Miscellaneous Funds

Present law establishes the following funds and provides for the deposit, use, and investment of monies in each:

- (1) La. Transportation Infrastructure Fund.
- (2) Higher Education Campus Revitalization Fund.
- (3) La. Economic Development Initiatives Fund.

Proposed law provides for utilization of monies deposited into the respective funds in Fiscal Year 2026-2027.

Proposed law establishes the Criminal Justice Technology Fund as a special fund within the

state treasury. Provides for the deposit and investment of monies in the fund and requires monies in the fund be used for the offices of district attorneys to leverage technology to collaborate with other entities and facilitate interagency communication regarding care and protection of youth.

Proposed law further establishes the Strategic Investments Across Louisiana Fund as a special fund within the state treasury and provides for the deposit and investment of monies in the fund.

Self-Insurance Fund

Present law (R.S. 39:1533) establishes the Self-Insurance Fund in the state treasury consisting of all premiums paid by state agencies under the state's risk management program and the investment income earned from such premiums and commissions. Provides for authorized uses of monies in the fund, including the payment of law enforcement officers and firemen's survivor and disability benefits. Requires that survivor and disability benefit payments for law enforcement officers and firemen be made from a specific appropriation received by the fund for that purpose.

Proposed law adds the payment of extraordinary medical and dental expenses for firemen and law enforcement officers to the list of eligible expenditures from the fund. Proposed law further limits payments for law enforcement officers and firemen survivor and disability benefits and extraordinary medical and dental expenses to aggregate payments totaling \$5 million annually.

Regional Maintenance and Improvement Fund

Present law (R.S. 48:197) establishes the Regional Maintenance and Improvement Fund and provides for deposit, use, and investment of monies in the fund.

Proposed law adds certain infrastructure sites and projects that monies in the fund can be used to maintain, improve, and construct.

Dept. of Justice Legal Support Fund

Present law (R.S. 49:259) establishes the Dept. of Justice Legal Support Fund in the state treasury and provides for the deposit, use, and investment of monies in the fund. Further establishes a maximum fund balance of \$15 M annually. Proposed law increases this maximum to \$20 M.

Present law requires deposit into the fund each year of an amount sufficient to bring the unencumbered balance of the fund to \$15 M. Proposed law increases this to \$20 M.

Major Events Incentive Fund

Present law (R.S. 51:1260) establishes the Major Events Incentive Fund as a source of funding for the Major Events Incentive Program and provides for administration by La. Economic Development "LED". Further requires JLCB approval of contracts entered into for qualified to major events and subject to sufficient funding.

Proposed law exempts contracts from JLCB approval if the event has received a specific appropriation of funds by the legislature.

Site Investment and Infrastructure Improvement Fund

Present law (R.S. 51:2316) establishes the Site Investment and Infrastructure Improvement Fund and provides for the deposit, use, and investment of monies in the fund.

Present law requires investment by the treasurer in the same manner as monies in the state general fund. Proposed law directs the treasurer to invest the monies in the fund in

a separate portfolio, and authorizes the fund to retain all monies earned in the fund net of investment expenses. Further provides that \$5,900,000 of monies deposited into the fund in Fiscal Year 2025-2026 shall serve as the repayment on behalf of the Vinton Harbor and Terminal District.

Proposed law repeals the 2021 Market Adjustments Reduction Fund (R.S. 39:100.49) and the 2021 Budget Reconciliation Fund (R.S. 39:100.50).

Overcollections Fund

Proposed law directs the state treasurer to transfer monies from the state general fund to the Overcollections Fund in an amount equal to the amount of State General Fund (Direct) for each line item appropriation in the Acts that originated as HB Nos. 1 and 312 of the 26 R.S. that has a State General Fund (Direct) appropriation that is vetoed by the governor and not overridden by the legislature.

Proposed law further directs the state treasurer to transfer monies from the state general fund to the Overcollections fund in an amount equal to the amount the governor reduces from HB No. 1 pursuant to his authority under La. Const. Art. VIII, Sec. 13(B) that is consented to in writing by two-thirds of the elected members of each house of the legislature.

Effective dates

All provisions except the Fiscal Year 2026-2027 transfers and the Self-Insurance Fund provisions are effective upon signature of the governor.

Fiscal Year 2026-2027 transfers are effective July 1, 2026.

Self-Insurance Fund provisions are effective if and when House Bill No. 145 of this 2026 R.S. is enacted and becomes effective.

(Amends R.S. 17:407.30(B), R.S. 39:100.118(B), 100.256(D) and (E), 1533(A), R.S. 48:197(B)(3), R.S. 49:259(B)(1) and (C)(3), and R.S. 51:2316(B)(2); adds R.S. 39:82(L), 100.112(F)(2)(e), 100.171(D), 100.252(F), 100.253(D)(4), 100.255(D)(6), 100.257, and 100.258 and R.S. 51:1260(I) and 2316(D); repeals R.S. 39:100.49 and 100.50)