

Regular Session, 2014

HOUSE BILL NO. 1026

BY REPRESENTATIVE FANNIN

1 AN ACT

2 To amend and reenact R.S. 3:284(D)(3)(a) and (F), R.S. 39:94(A)(3) and (C)(4)(b), R.S.
3 46:2691(A) and the introductory paragraph of (B)(1) and 2731(B) and (E)(1), and
4 R.S. 47:302.2(C)(1)(b), 332.6(B), and 1676(E) and to enact R.S. 17:3138.2 and
5 3138.3 and Subpart A of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
6 Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:91, relative to special
7 treasury funds; to repeal R.S. 47:6007(C)(7) and R.S. 51:942(I)(2); to provide for the
8 transfer, dedication, use, and appropriations as specified of certain treasury funds;
9 to provide for the deposit of certain funds into the state treasury; to provide for the
10 Louisiana Buy Local Purchase Incentive Program Fund; to provide for deposits into
11 the Budget Stabilization Fund; to establish the Deepwater Horizon Economic
12 Damages Collection Fund; to establish the Debt Recovery Fund; to provide for the
13 disposition of certain collections in the city of Shreveport; to establish the
14 Competitive Core Growth Fund; to establish the Science, Technology, Engineering,
15 and Math (STEM) Upgrade Fund relative to the elimination of certain special
16 treasury funds; to eliminate the Small Business Surety Bonding Fund and the
17 Louisiana Filmmakers Grant Fund; to authorize the transfer of balances between
18 funds; to provide for deposit of monies in the state general fund; to create a trust
19 account in the Health Trust Fund for services provided by home and community
20 based healthcare providers utilized by the developmentally disabled and provide for
21 deposits to the Medicaid Trust Fund for the Elderly from the Deepwater Horizon
22 Economic Damages Collection Fund; to provide for deposits to such account from

1 the Deepwater Horizon Economic Damages Collection Fund; to provide for effective
2 dates; and to provide for related matters.

3 Be it enacted by the Legislature of Louisiana:

4 Section 1. R.S. 3:284(D)(3)(a) and (F) are hereby amended and reenacted to read as
5 follows:

6 §284. Louisiana Buy Local Purchase Incentive Program

7 * * *

8 D. Fund

9 * * *

10 (3)(a) Subject to appropriation by the legislature, monies in the fund shall
11 be used solely to ~~grant incentive payments under the Louisiana Buy Local Purchase~~
12 ~~Incentive Program as provided in this Section~~ to provide grants to eligible restaurant
13 establishments for purchases of Louisiana agricultural products all as defined in
14 Subsection C of this Section and for all ordinary and necessary operating and
15 administrative costs and expenses associated with implementation of this Section,
16 provided that the ordinary and necessary operating and administrative costs and
17 expenses shall not exceed five percent of monies appropriated from the fund. The
18 Louisiana Agricultural Finance Authority shall have the authority to determine the
19 grant recipients and the amount of the grant awards as well as other eligible expenses
20 to be paid with monies appropriated each fiscal year.

21 * * *

22 F. Termination of program ~~and fund~~

23 The program ~~and fund~~ created pursuant to this Section shall terminate on
24 December 31, 2014. Therefore, no rebate payments authorized according to the
25 provisions of this Section shall be granted after December 31, 2014. ~~Any~~
26 ~~unexpended and unencumbered monies in the fund at the end of the program shall~~
27 ~~revert to the state general fund.~~

1 Section 2. R.S. 17:3138.2 and 3138.3 are hereby enacted to read as follows:

2 §3138.2. Competitive Core Growth Fund

3 A. There is hereby established as a special fund in the state treasury the
4 Competitive Core Growth Fund, hereafter referred to as "the fund". Subject to
5 appropriation of monies into the fund by the legislature, the state treasurer is directed
6 to deposit into the fund at the beginning of each fiscal year an amount equal to at
7 least fifteen and one quarter percent of the amount of monies deposited into the
8 Workforce and Innovation for a Stronger Economy Fund. Monies in the fund shall
9 be invested in the same manner as monies in the state general fund. Interest earned
10 on investment of monies in the fund shall be credited to the fund. Unexpended and
11 unencumbered monies in the fund at the end of the fiscal year shall remain in the
12 fund.

13 B. Monies in the fund shall be appropriated to the Board of Regents to be
14 allocated to postsecondary education institutions in order to better align each
15 institution with the minimum postsecondary education funding formula
16 implementation rate. Monies in the fund shall be used to calculate a minimum
17 implementation rate of the postsecondary education funding formula. The Board of
18 Regents shall annually establish an allocation of the monies in the fund based on a
19 comparison of the postsecondary education funding formula appropriation of each
20 institution in the current fiscal year with the projected postsecondary education
21 funding formula cost for that institution in the next fiscal year. Monies in the fund
22 shall be allocated to the institutions with the lowest implementation rates to bring the
23 institutions closer to the minimum implementation rate.

24 §3138.3. Science, Technology, Engineering, and Math (STEM) Upgrade Fund

25 A. There is hereby established as a special fund in the state treasury the
26 Science, Technology, Engineering, and Math (STEM) Upgrade Fund, hereafter
27 referred to as "the fund". Subject to appropriation of monies into the fund by the
28 legislature, the state treasurer is directed to deposit into the fund at the beginning of
29 each fiscal year an amount equal to at least five percent of the amount of monies
30 deposited into the Workforce and Innovation for a Stronger Economy Fund. Monies

1 in the fund shall be invested in the same manner as monies in the state general fund.
 2 Interest earned on investment of monies in the fund shall be credited to the fund.
 3 Unexpended and unencumbered monies in the fund at the end of the fiscal year shall
 4 remain in the fund.

5 B. Monies in the fund shall be appropriated to the Board of Regents and
 6 allocated as follows:

7 (1) One million dollars for STEM upgrades at Southern University and
 8 Agricultural and Mechanical College.

9 (2) One million dollars for STEM upgrades at Grambling State University.

10 Section 3. R.S. 39:94(A)(3) and (C)(4)(b) are hereby amended and reenacted and
 11 Subpart A of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised
 12 Statutes of 1950, comprised of R.S. 39:91, is hereby enacted to read as follows:

13 SUBPART A. DEEPWATER HORIZON ECONOMIC

14 DAMAGES COLLECTION FUND

15 §91. Deepwater Horizon Economic Damages Collection Fund

16 A. There shall be established in the state treasury as a special permanent trust
 17 fund named the Deepwater Horizon Economic Damages Collection Fund. After
 18 allocation of money to the Bond Security and Redemption Fund as provided in
 19 Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit
 20 in and credit to the Deepwater Horizon Economic Damages Collection Fund
 21 proceeds of the settlement, judgment, or final disposition of the state's economic
 22 damages claims asserted in State of Louisiana v. BP Exploration & Production, et
 23 al., MDL NO. 2179 (E.D.LA. pending) (hereinafter "DWH litigation") to recover
 24 economic damages sustained by the state from the Deepwater Horizon explosion and
 25 oil spill that occurred on or about April 20, 2010, at the MC 252 site in the Gulf of
 26 Mexico.

27 B. Within thirty days of each receipt of economic damages proceeds from
 28 the DWH litigation, the treasurer shall make the following deposits:

1 (b) Notwithstanding any provision of this Section to the contrary, except
 2 pursuant to a specific appropriation by the legislature or the annual deposit required
 3 by Paragraph (A)(3) of this Section, no appropriation or deposit to the fund shall be
 4 made in the same fiscal year as an appropriation, use or withdrawal is made from the
 5 fund or until such time as the official forecast exceeds the actual collections of state
 6 general fund (direct) revenue for Fiscal Year 2008. The provisions of this
 7 Subparagraph shall be null, void, and of no effect on July 1, ~~2015-2017~~.

8 Section 4. R.S. 47:302.2(C)(1)(b), 332.6(B), and 1676(E) are hereby amended and
 9 reenacted to read as follows:

10 §302.2. Disposition of certain collections in the city of Shreveport

11 * * *

12 C. Subject to an annual appropriation by the legislature, monies in the fund
 13 shall be used as follows:

14 (1) For allocation from all monies in the fund in the following amounts:

15 * * *

16 (b) ~~Three~~ One and one-half percent for African-American Multi-Cultural
 17 Tourism Commission and one and one-half percent for the Shreveport Bossier
 18 African American Chamber of Commerce.

19 * * *

20 §332.6. Disposition of certain collections in the city of Shreveport

21 * * *

22 B. The monies in the Shreveport Riverfront and Convention Center and
 23 Independence Stadium Fund shall be subject to an annual appropriation by the
 24 legislature. The monies in the fund shall be available exclusively for the purposes
 25 provided in R.S. 47:302.2(C) and (D). However, ~~forty~~ forty-seven thousand dollars
 26 of the monies deposited in the fund shall be allocated annually to Pamoja Art Society
 27 for African-American cultural activities in Shreveport, fifty thousand dollars of the
 28 monies deposited into the fund shall be allocated annually to The Shreveport
 29 Multicultural Center, Inc., and fifteen thousand dollars of the monies deposited in the
 30 fund shall be allocated annually to the Rho Omega and Friends, Inc., for the Let the

1 (14) One Hundred Eighty-Seven Dollars from the Medical and Allied Health
2 Professional Education Scholarship and Loan Fund.

3 (15) Four Hundred Nine Thousand One Hundred Forty-Four Dollars from the Small
4 Business Surety Bonding Fund.

5 (16) One Million Five Hundred Forty-Four Thousand Forty-Six Dollars from the
6 Two Percent Fire Insurance Fund.

7 (17) One Hundred Eleven Dollars from the UNO Slidell Technology Park Fund.

8 (18) Nineteen Thousand Eight Hundred Ninety-Two Dollars from the Variable
9 Earnings Transaction Fund.

10 (19) Twelve Million Five Hundred Seventy Thousand Four Hundred Twenty-Six
11 Dollars from the Payments Towards the UAL Fund.

12 (20) Eighteen Million Six Hundred Thousand Dollars from the Riverboat Gaming
13 Enforcement Fund.

14 (B) Notwithstanding any provision of law to the contrary, the Louisiana Housing
15 Finance Agency or its successor is hereby authorized and directed to deposit into the state
16 treasury the unrestricted or unencumbered fund assets of Twenty-Five Million Dollars. The
17 state treasurer is hereby authorized and directed to transfer the funds to the Overcollections
18 Fund as nonrecurring revenues.

19 (C) Notwithstanding any provision of the law to the contrary, the state treasurer is
20 hereby authorized and directed to transfer no less than Thirty-Four Million Dollars from the
21 Self-Insurance Fund to the Overcollections Fund.

22 (D) Notwithstanding any provision of law to the contrary, the state treasurer is
23 hereby authorized and directed to transfer at least Thirty-Nine Million Nine Hundred
24 Thousand Dollars from the Division of Administration to the Overcollections Fund.

25 (E) Notwithstanding any provision of law to the contrary, the Louisiana Property
26 Assistance Agency is hereby authorized and directed to deposit into the state treasury the
27 unrestricted or unencumbered balance of Three Million Seven Hundred Thousand Dollars.
28 The state treasurer is hereby authorized and directed to transfer the funds to the
29 Overcollections Fund.

1 (F) Notwithstanding any provision of law to the contrary, the office of aircraft
2 services is hereby authorized and directed to deposit into the state treasury the unrestricted
3 or unencumbered balance of Two Hundred Fifty Thousand Dollars. The state treasurer is
4 hereby authorized and directed to transfer the funds to the Overcollections Fund.

5 (G) Notwithstanding any laws to the contrary, the treasurer is hereby authorized and
6 directed to transfer to the Overcollections Fund the interest portion due to the state from the
7 recovery of funds expended out of the Motor Fuels Underground Storage Tank Trust Fund
8 on behalf of an owner who was not an eligible participant.

9 (H) Notwithstanding any provision of law to the contrary, the state treasurer shall
10 transfer to the Overcollections Fund all cash balances from unexpended and unencumbered
11 state general fund appropriations which are subject to remission to the state treasury under
12 the provisions of R.S. 39:82 and 352 at the end of Fiscal Year 2013-2014.

13 (I) Upon cessation of the Louisiana Health Plan board by March 1, 2016 per R.S.
14 22:1205(C)(7) and notwithstanding the provisions of R.S. 51:2365(E), the state treasurer is
15 hereby authorized and directed to transfer the excess High Risk Pool Funds to the Louisiana
16 Mega-Project Development Fund.

17 (J) Notwithstanding any laws to the contrary, the treasurer is hereby authorized and
18 directed to transfer the balance of the Overcollections Fund Program Participation Savings
19 Account to the Louisiana Medical Assistance Trust Fund.

20 (K) Notwithstanding any provision of law to the contrary, the state treasurer is
21 authorized and directed to transfer Twenty Million Dollars from the Louisiana Mega-project
22 Development Fund to the Rapid Response Fund.

23 (L) The state treasurer is hereby authorized and directed to move any funds
24 identified by the commissioner of administration from the implementation of the plan by
25 Alvarez and Marsal to the Overcollections Fund to effectuate the preamble language
26 contained in Act 15 of the 2014 Regular Session of the Legislature, subject to approval by
27 the Joint Legislative Committee on the Budget.

28 (M) Notwithstanding any provision of law to the contrary, the Louisiana Lottery
29 Corporation or its successor is hereby authorized and directed to deposit into the state treasury
30 the unrestricted or unencumbered fund assets of Nine Million Dollars. The state treasurer

1 is hereby authorized and directed to transfer the funds to the Louisiana Mega-Project
 2 Development Fund.

3 Section 6. The state treasurer is authorized and directed to transfer the nonrecurring
 4 revenues within the Overcollections Fund in the following order:

5 (1) The amount appropriated out of the Overcollections Fund out of nonrecurring
 6 revenues for the supplemental payment of debt defeasance, not to exceed Thirty-Seven
 7 Million Two Thousand One Hundred Twenty-Four Dollars (\$37,002,124).

8 (2) Second, the treasurer shall transfer the amount appropriated out of the
 9 Overcollections Fund out of nonrecurring revenues for the supplemental payment of the
 10 unfunded accrued liability of the Louisiana State Employees' Retirement System and the
 11 Teachers' Retirement System of Louisiana, not to exceed Six Million Dollars (\$6,000,000).

12 (3) Third, the treasurer shall transfer the next Twenty-Five Million Dollars
 13 (\$25,000,000) to the Budget Stabilization Fund.

14 (4) Fourth, the treasurer shall transfer the next Eleven Million Dollars (\$11,000,000)
 15 to the Workforce and Innovation for a Stronger Economy Fund. Any specific legislative
 16 allocations to postsecondary education institutions from the WISE Fund shall not preclude
 17 any postsecondary education institutions from receiving additional monies from the WISE
 18 Fund.

19 (5) Five percent of any remaining nonrecurring revenues within the Overcollections
 20 Fund shall be available for appropriation to the unfunded accrued liability of the Louisiana
 21 State Employees' Retirement System and the Teachers' Retirement System of Louisiana.

22 Section 7. Notwithstanding any provision of the law to the contrary, the state
 23 treasurer is hereby authorized and directed to transfer Forty-Four Million Four Hundred
 24 Thousand Dollars of Fees and Self-Generated Revenues collected by the Department of
 25 Revenue to the 2013 Amnesty Collections Fund.

26 Section 8. Notwithstanding any provision of law to the contrary, the state treasurer
 27 shall not include unexpended and unencumbered monies in the Rapid Response Fund at the
 28 end of the 2013-2014 Fiscal Year in the determination of the unencumbered balance of the
 29 fund for purposes of determining the amount to be deposited into the fund at the beginning
 30 of the fiscal year pursuant to R.S. 51:2361(A)(2).

1 Section 9.(A) Notwithstanding any provision of law to the contrary, the state
2 hospitals, or its successor state agencies, are hereby authorized and directed to deposit into
3 the state general fund all receipts of lease payments for the lease of state hospital buildings
4 and equipment as recognized by the Revenue Estimating Conference.

5 (B) After satisfying the requirements of the Bond Security and Redemption Fund
6 as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the state treasurer
7 is hereby authorized and directed to transfer all loan payments received from political
8 subdivisions, under Section 7 of Act No. 41 of the 2006 First Extraordinary Session of the
9 Legislature, to the state general fund as recognized by the Revenue Estimating Conference.

10 (C) After satisfying the requirements of the Bond Security and Redemption Fund
11 as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the state treasurer
12 is hereby authorized and directed to transfer to the state general fund all LA1 toll receipts
13 received in reimbursement of the LA1 loan payment as recognized by the Revenue
14 Estimating Conference.

15 Section 10.(A) Notwithstanding any laws to the contrary, the treasurer is hereby
16 authorized and directed to transfer to the Overcollections Fund the amount of nonrecurring
17 revenues from increased net state tax receipts realized from the implementation of additional
18 fraud initiatives.

19 (B) Notwithstanding any provision of law to the contrary, the treasurer is hereby
20 authorized and directed to transfer to the Overcollections Fund the amount of nonrecurring
21 state funds identified by the Department of Revenue as collected from debt recovery efforts
22 of the office of debt recovery established in Act No. 399 of the 2013 Regular Session of the
23 Legislature.

24 (C) The state treasurer is authorized and directed to transfer any balances remaining
25 in the Small Business Surety Bonding Fund repealed and abolished in this Act to the
26 Overcollections Fund.

27 (D) The state treasurer is authorized and directed to transfer any balances remaining
28 in the Louisiana Filmmakers Grant fund repealed and abolished in this Act to the Louisiana
29 Economic Development Fund.

30 Section 11. R.S. 47:6007(C)(7) and R.S. 51:942(I)(2) are hereby repealed.

1 Section 12. R.S. 46:2691(A)and the introductory paragraph of (B)(1) and 2731(B)
 2 and (E)(1) are hereby amended and reenacted to read as follows:

3 §2691. Medicaid Trust Fund for the Elderly

4 A.(1) There is hereby established as a permanent trust fund in the state
 5 treasury designated the "Medicaid Trust Fund for the Elderly", hereinafter referred
 6 to as the "fund". After allocation of money to the Bond Security and Redemption
 7 Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the
 8 treasurer shall deposit in and credit to the fund the following sources:

9 ~~(a) all~~ All money that is received from any source, including but not limited
 10 to an intergovernmental transfer program provided for in this Chapter and all income
 11 on investment of monies in the fund.

12 (b) As provided in R.S. 39:91, a portion of the proceeds of the settlement,
 13 judgment, or final disposition of the state's economic damages claims asserted in
 14 State of Louisiana v. BP Exploration & Production, et al., MDL NO. 2179 (E.D.LA.
 15 pending) to recover economic damages sustained by the state from the Deepwater
 16 Horizon explosion and oil spill that occurred on or about April 20, 2010, at the MC
 17 252 site in the Gulf of Mexico, not to exceed seven hundred million dollars, except
 18 when the terms and conditions stipulated in the settlement or judgment require
 19 otherwise. Deposits into the fund from such proceeds received by the state
 20 associated with the Deepwater Horizon oil spill shall cease when either of the
 21 following occurs:

22 (i) An amount not to exceed seven hundred million dollars has been
 23 deposited into the fund.

24 (ii) The full amount of the monies available as provided for in this
 25 Subparagraph has been deposited into the fund.

26 (2) Monies in the fund shall be invested by the treasurer in the manner
 27 hereinafter provided. All unencumbered and unexpended monies in the fund at the
 28 end of the fiscal year shall remain in the fund.

1 Children's Health Insurance Program (LaCHIP), or amounts appropriated for services
 2 provided by home and community based healthcare providers utilized by the
 3 developmentally disabled below the amounts of state general fund appropriations for
 4 those programs for the 2001-2002 Fiscal Year.

5 * * *

6 Section 13. Sections 1, 2, 5, 6, 7, 13, and 14 of this Act shall become effective upon
 7 signature of the governor, or if not signed by the governor, upon expiration of the time for
 8 bills to become law without signature by the governor, as provided by Article III, Section
 9 18 of the Constitution of Louisiana.

10 Section 14. Sections 3, 4, and 8 through 12 of this Act shall become effective on July
 11 1, 2014.

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 PRESIDENT OF THE SENATE

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____