

GREEN SHEET REDIGEST

HB 386

2015 Regular Session

Leger

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

**FUNDS/FUNDING: Dedicates interest earnings of the Deepwater Horizon Economic Damages Collection Fund to higher education**

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DIGEST

**Abstract:** Dedicates interest from the Deepwater Horizon Economic Damages Collection Fund to institutions of higher education according to the formula adopted by the Board of Regents.

Present law establishes the Deepwater Horizon Economic Damages Collection Fund, herein after "fund", as a special permanent trust fund in the state treasury. Requires the proceeds of the state's economic damages claims asserted in the state's lawsuit against BP Exploration & Production as a result of the Deepwater Horizon explosion and oil spill after deposits are made to the Budget Stabilization Fund, the Medicaid Trust Fund for the Elderly, and the Health Trust Fund.

Proposed law provides that relative to allocations from the Deepwater Horizon Economic Damages Collection Fund, reduces the amount to be deposited to the Budget Stabilization Fund from forty-five percent of each receipt to forty percent of each receipt until it reaches the statutorily amount mandated by R.S. 39:94. Further, reduces the amount to be deposited to the Medicaid Trust Fund for the Elderly from forty-five percent of each receipt to forty percent of each receipt until it reaches an amount not to exceed seven hundred million dollars.

Proposed law requires that ten percent of each such receipt of economic damages proceeds deposited to the Board of Regents be equitably allocated to public postsecondary education institutions in the state in accordance with Art. VIII, Section 5(D)(4) of the Constitution of Louisiana.

Proposed law further provides that interest earned on the investment of monies in the fund shall be credited to the fund. Appropriations from the fund are limited to annual interest earnings and shall be made to the Board of Regents to be distributed to state public postsecondary education institutions in accordance with the formula for the equitable distribution of funds required by present constitution. Additionally allows appropriations to be distributed to independent institutions of higher learning in accordance with present law (R.S. 17:2053) which requires the Board of Regents to reimburse independent institutions of higher learning in the state for educating La. residents.

Proposed law requires that appropriations to the Board of Regents shall not displace, replace, or supplant funding for higher education.

(Amends R.S. 39:91(B)(1) and (2) and (C); Adds R.S. 39:91(B)(4) and (D))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Relative to allocations from the Deepwater Horizon Economic Damages Collection Fund, reduces the amount to be deposited to the Budget Stabilization Fund from forty-five percent of each receipt to forty percent of each receipt until it reaches the statutorily amount mandated by R.S. 39:94.

2. Reduces the amount to be deposited to the Medicaid Trust Fund for the Elderly from forty-five percent of each receipt to forty percent of each receipt until it reaches an amount not to exceed seven hundred million dollars.
3. Requires that ten percent of each such receipt of economic damages proceeds be deposited to the Board of Regents to be equitably allocated to public postsecondary education institutions in the state in accordance with Art. VIII, Section 5(D)(4) of the Constitution of Louisiana.