

2024 Third Extraordinary Session

HOUSE BILL NO. 12

BY REPRESENTATIVE DESHOTEL

1 AN ACT

2 To amend and reenact R.S. 17:3801(A) and (C) and 3802(A)(1), R.S. 30:86(A)(1) and
3 2483(B) through (E), R.S. 39:94(A), (B), and (C)(5), 98.1, 98.2(A) and (E), 98.3(A)
4 and (C)(introductory paragraph), 98.4(A) and (F), 100.112, 100.116(A)(introductory
5 paragraph), (1) through (3), (10), (12), and (B), and 100.161(B)(3), R.S. 48:77(A),
6 R.S. 49:214.5.4(B) through (J), and R.S. 56:639.8(C) and (E)(1), to enact R.S.
7 30:86(I) through (K) and 2483(F) and (G), R.S. 39:100.118, and R.S. 56:639.8(H),
8 and to repeal R.S. 17:3801 through 3805, R.S. 30:86(C), and R.S. 39:97, 98.3(C) and
9 (E), 100.112, 100.116(A)(4), (9), (11), and (13), (C), and (D), R.S. 49:214.5.4(K),
10 and R.S. 56:639.8(E)(3), relative to finances of the state; to provide for certain
11 treasury funds; to provide for the transfer, deposit, and use, as specified, of monies
12 in certain treasury funds and accounts; to provide for the investment of certain
13 treasury funds and accounts; to repeal certain treasury funds and accounts; to provide
14 for effectiveness; and to provide for related matters.

15 Be it enacted by the Legislature of Louisiana:

16 Section 1. R.S. 17:3801(A) and (C) and 3802(A)(1) are hereby amended and
17 reenacted to read as follows:

18 §3801. Louisiana Education Quality Trust Fund, hereinafter referred to in this Part
19 as the "Kevin P. Reilly, Sr. Louisiana Education Quality Trust Fund"

20 A.(1) There shall be established in the state treasury as a special permanent
21 trust fund, the "Kevin P. Reilly, Sr. Louisiana Education Quality Trust Fund",
22 henceforth referred to as the "Permanent Trust Fund". ~~After allocation of money to~~

1 ~~the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of~~
2 ~~the constitution, and notwithstanding Article XIV, Section 10 of the constitution, the~~
3 ~~treasurer shall deposit in and credit to the Permanent Trust Fund all money which is~~
4 ~~received from the federal government under Section 1337(g) of Title 43 of the~~
5 ~~United States Code which is attributable to mineral production activity or leasing~~
6 ~~activity on the Outer Continental Shelf which has been held in escrow pending a~~
7 ~~settlement between the United States and the state of Louisiana, except the first one~~
8 ~~hundred million dollars so received; twenty-five percent of the recurring revenues~~
9 ~~received under Section 1337(g) of Title 43 of the United States Code which are~~
10 ~~attributable to mineral production activity or leasing activity on the Outer~~
11 ~~Continental Shelf; twenty-five percent of the interest income earned on investment~~
12 ~~of monies in the Permanent Trust Fund; and seventy-five percent of realized capital~~
13 ~~gains and twenty-five percent of dividend income earned on investment of the~~
14 ~~Permanent Trust Fund. No appropriation shall be made from the Permanent Trust~~
15 ~~Fund.~~

16 (2) ~~After six hundred million dollars has been credited to the Permanent~~
17 ~~Trust Fund from those monies received from the federal government under Section~~
18 ~~1337(g) of Title 43 of the United States Code which are attributable to mineral~~
19 ~~production activity or leasing activity on the Outer Continental Shelf which has been~~
20 ~~held in escrow pending a settlement between the United States and the state of~~
21 ~~Louisiana, the sum of fifty million dollars shall be credited from such monies to the~~
22 ~~Coastal Environment Protection Trust Fund, as established in R.S. 30:313; all such~~
23 ~~funds in excess of seven hundred fifty million dollars shall be credited to the~~
24 ~~Permanent Trust Fund.~~

25 (3) ~~After allocation of money to the Bond Security and Redemption Fund as~~
26 ~~provided in Article VII, Section 9(B) of the constitution, and notwithstanding Article~~
27 ~~XIV, Section 10 of the constitution, seventy-five percent of the recurring revenues~~
28 ~~received under Section 1337(g) of Title 43 of the United States Code which are~~
29 ~~attributable to mineral production activity or leasing activity, seventy-five percent~~

1 ~~of the interest income earned on investment of the Permanent Trust Fund, and~~
 2 ~~twenty-five percent of realized capital gains and seventy-five percent of the dividend~~
 3 ~~income earned on investment of the Permanent Trust Fund shall be deposited and~~
 4 ~~credited to a~~ There is hereby created a special fund ~~which is hereby created~~ in the
 5 state treasury, ~~and~~ which shall be known as the Louisiana Quality Education Support
 6 Fund, ~~hereinafter~~ hereafter referred to in this Section as the "Support Fund".
 7 ~~Beginning July 1, 2001, and only as to and in the accounting of earnings after that~~
 8 ~~date, the treasurer shall account for earnings from the Permanent Fund in a manner~~
 9 ~~which allocates the earnings between the Permanent Fund and the Support Fund in~~
 10 ~~the proportions as herein provided as such earnings are realized. Beginning July 1,~~
 11 ~~2001, and only as to and in the accounting of earnings after that date, the treasurer~~
 12 ~~shall account for earnings attributable to Support Fund balances due the boards of~~
 13 ~~education separately and allocate such earnings to the credit of each board~~
 14 ~~respectively.~~

15 ~~(4) All recurring revenues and interest earnings shall be credited to the~~
 16 ~~respective funds as provided in Paragraphs (1) and (2) above until the balance in the~~
 17 ~~Permanent Trust Fund equals two billion dollars. After the Permanent Trust Fund~~
 18 ~~reaches a balance of two billion dollars, all interest earnings on the Permanent Trust~~
 19 ~~Fund shall be credited to the Support Fund and all recurring revenues shall be~~
 20 ~~credited to the State General Fund.~~

21 * * *

22 C.(1) The amounts in the Support Fund shall be available for appropriation
 23 to pay expenses incurred for outside investment managers for the investment and
 24 management of the ~~Permanent~~ Trust Fund and for other custody, investment, and
 25 disbursement costs directly attributable to the ~~Permanent~~ Trust Fund, and for
 26 educational purposes only as provided in these Sections.

27 (2) ~~The State Board of Elementary and Secondary Education and the Board~~
 28 ~~of Regents each shall annually submit to the legislature and the governor not less~~
 29 ~~than sixty days prior to the beginning of each regular session of the legislature a~~

1 ~~proposed program and budget for the expenditure of the monies in the Support Fund.~~
2 ~~Proposals for such expenditures shall be designed to improve the quality of~~
3 ~~education. Except for monies appropriated to pay expenses incurred in investment~~
4 ~~and management of the Permanent Trust Fund, monies appropriated from the~~
5 ~~Support Fund by the legislature shall be disbursed to the Board of Regents and the~~
6 ~~State Board of Elementary and Secondary Education to be allocated by them as~~
7 ~~provided by law or the constitution to the programs as previously approved by the~~
8 ~~legislature.~~

9 ~~(3)~~ The treasurer shall disburse not more than fifty percent of the monies in
10 the Support Fund as that money is appropriated by the legislature and allocated by
11 the Board of Regents for any or all of the following higher educational purposes to
12 enhance economic development:

13 (a) The carefully defined research efforts of public and private universities
14 in Louisiana.

15 (b) The endowment of chairs for eminent scholars.

16 (c) The enhancement of the quality of academic, research, or agricultural
17 departments or units within a community college, college, or university. These funds
18 shall not be used for athletic purposes or programs.

19 (d) The recruitment of superior graduate students.

20 ~~(4)~~ (3) The treasurer shall disburse not more than fifty percent of the monies
21 in the Support Fund as that money is appropriated by the legislature and allocated by
22 the State Board of Elementary and Secondary Education for any or all of the
23 following elementary and secondary educational purposes:

24 (a) To provide compensation to city or parish school board professional
25 instructional employees.

26 (b) To insure an adequate supply of superior textbooks, library books,
27 equipment, and other instructional materials.

1 (c) To fund exemplary programs in elementary, secondary, or vocational-
2 technical schools designed to improve elementary and secondary student academic
3 achievement, or vocational-technical skill.

4 (d) To fund carefully defined research efforts, including pilot programs,
5 designed to improve elementary and secondary student academic achievement.

6 (e) To fund summer school remediation programs and preschool programs.

7 (f) To fund the teaching of foreign languages in elementary and secondary
8 schools.

9 (g) To fund an adequate supply of teachers by providing scholarships or
10 stipends to prospective teachers in academic areas where there is a critical teacher
11 shortage.

12 * * *

13 §3802. Appropriations; procedure; limitation; administration

14 A.(1) ~~Consistent with the provisions of the Constitution of Louisiana, the~~
15 The legislature shall appropriate the total amount of the funds in the Louisiana
16 Quality Education Support Fund, hereinafter referred to as the "support fund",
17 intended for higher educational purposes to the Board of Regents and the total
18 amount intended for elementary and secondary educational purposes to the State
19 Board of Elementary and Secondary Education itemized by program or other
20 recipient purpose. Such itemization shall occur in both the executive budget and in
21 the general appropriation bill and, except as otherwise provided by the constitution,
22 budget and appropriation functions shall be conducted as provided by law. Passage
23 of the general appropriation bill shall constitute legislative approval of the programs
24 or purposes to which money is appropriated.

25 * * *

26 Section 2. R.S. 30:86(A)(1) and 2483(B) through (E) are hereby amended and
27 reenacted and R.S. 30:86(I) through (K) and 2483(F) and (G) are hereby enacted to read as
28 follows:

1 §86. Oilfield Site Restoration Fund

2 A.(1) There is hereby ~~established a fund in the custody of the state treasurer~~
3 created in the state treasury a special fund to be known as the Oilfield Site
4 Restoration Fund, hereafter referred to as the "fund", into which the state treasurer
5 shall, each fiscal year, deposit the revenues received from the collection of the
6 monies enumerated in Subsection D of this Section, after those revenues have been
7 deposited in the Bond Security and Redemption Fund.

8 * * *

9 I. All unexpended and unencumbered monies in the fund at the end of the
10 fiscal year shall remain in the fund. The monies in the fund shall be invested by the
11 treasurer in the manner provided by law. Interest earned on investment of monies
12 in the fund shall be deposited into the fund.

13 J. The state treasurer shall prepare and submit to the department on a
14 quarterly basis a printed report showing the amount of money contained in the fund
15 from all sources.

16 K. The provisions of this Section shall not apply to affect funds allocated by
17 Article VII, Section 8, Paragraphs (B) and (C) of the Constitution of Louisiana.

18 * * *

19 §2483. Oil Spill Contingency Fund

20 * * *

21 B. There shall be established in the state treasury, as a special fund, the Oil
22 Spill Contingency Fund, hereinafter referred to as the "contingency fund". Out of
23 the funds remaining in the Bond Security and Redemption Fund after a sufficient
24 amount is allocated from that fund to pay all obligations secured by the full faith and
25 credit of the state which become due and payable within any fiscal year as required
26 by Article VII, Section 13(B) of the Constitution of Louisiana, the treasurer shall pay
27 into the contingency fund all of the following:

1 (1) All fees, taxes, penalties, judgments, reimbursements, charges, and
2 federal funds collected pursuant to the provisions of this Chapter, except as provided
3 by R.S. 30:2480.2.

4 (2) Any fees, taxes, penalties, reimbursements, charges, federal funds, or
5 other revenue enacted by the legislature for the purposes of abatement and
6 containment of actual or threatened unauthorized discharges of oil after November
7 23, 1995, shall be irrevocably dedicated and deposited in the contingency fund.

8 (3) All funds or revenues which may be donated expressly to the
9 contingency fund.

10 C. The monies in the contingency fund shall be appropriated by the
11 legislature to be used solely for the programs and purposes of abatement and
12 containment of actual or threatened unauthorized discharges of oil and for
13 administrative expenses associated with such programs and purposes, as provided
14 in this Part.

15 D. In order to fulfill the constitutional mandate of Article IX, Section 1 of
16 the Constitution of Louisiana to protect, conserve, and replenish the natural resources
17 of the state, the legislature hereby declares that sufficient funds shall be made
18 available to the Oil Spill Contingency Fund, in order for prevention of and response
19 to unauthorized discharges of oil.

20 E. The purpose of the fund is to immediately provide available funds for
21 response to all threatened or actual unauthorized discharges of oil, for clean up of
22 pollution from unauthorized discharges of oil, natural resources damages, damages
23 sustained by any state agency or political subdivision, and removal costs from
24 threatened, unauthorized discharges of oil.

25 ~~D. All fees, taxes, penalties, judgments, reimbursements, charges, and~~
26 ~~federal funds collected pursuant to the provisions of this Chapter, except as provided~~
27 ~~by R.S. 30:2480.2, shall be deposited immediately upon receipt into the state~~
28 ~~treasury.~~

1 ~~E. F. After compliance with the requirements of Article VII, Section 9(B) of~~
 2 ~~the Constitution of Louisiana relative to the Bond Security and Redemption Fund,~~
 3 ~~and prior to monies being placed in the state general fund, an amount equal to that~~
 4 ~~deposited, as required in Subsection D of this Section, and monies appropriated by~~
 5 ~~the legislature shall be credited to a special fund hereby created in the state treasury~~
 6 ~~to be known as the "Oil Spill Contingency Fund". The monies in this fund shall be~~
 7 ~~used solely as provided in this Part and only in the amounts appropriated by the~~
 8 ~~legislature. All unexpended and unencumbered monies in this fund at the end of the~~
 9 ~~fiscal year shall remain in the fund. The monies in this fund shall be invested by the~~
 10 ~~state treasurer in the same manner as monies in the state general fund, and interest~~
 11 ~~earned on the investment of these monies shall remain in the fund.~~

12 G. The provisions of this Section shall not apply to or affect funds allocated
 13 by Article VII, Section 8, Paragraphs (B) and (C) of the Constitution of Louisiana.

14 Section 3. R.S. 39:94(A), (B), and (C)(5), 98.1, 98.2(A) and (E), 98.3(A) and
 15 (C)(introductory paragraph), 98.4(A) and (F), 100.116(A)(introductory paragraph), (1)
 16 through (3), (10), (12), and (B), and 100.161(B)(3) are hereby amended and reenacted and
 17 R.S. 39:100.118 is hereby enacted to read as follows:

18 §94. Budget Stabilization Fund

19 A. There is hereby created in the state treasury a special fund to be
 20 designated as the Budget Stabilization Fund, hereafter referred to in this Section as
 21 the "fund", which shall consist of all money deposited into the fund in accordance
 22 with Article VII, Section ~~10.3~~ 15 of the Constitution of Louisiana. Money shall be
 23 deposited into the fund as follows:

24 (1) All money available for appropriation from the state general fund and
 25 dedicated funds in excess of the expenditure limit, except funds allocated by Article
 26 VII, Section ~~4~~ 8, Paragraphs ~~(D) and (E)~~ (B) and (C) of the Constitution of
 27 Louisiana, shall be deposited in the fund.

28 ~~(2)(a) All revenues received in each fiscal year by the state in excess of nine~~
 29 ~~hundred fifty million dollars, hereinafter referred to as the "base", as a result of the~~

1 ~~production of or exploration for minerals, hereinafter referred to as "mineral~~
2 ~~revenues", including severance taxes, royalty payments, bonus payments, or rentals,~~
3 ~~and excluding such revenues designated as nonrecurring pursuant to Article VII,~~
4 ~~Section 10(B) of the Constitution of Louisiana, any such revenues received by the~~
5 ~~state as a result of grants or donations when the terms or conditions thereof require~~
6 ~~otherwise and revenues derived from any tax on the transportation of minerals, shall~~
7 ~~be deposited in the fund after the following allocations of said mineral revenues have~~
8 ~~been made:~~

9 ~~(i) To the Bond Security and Redemption Fund as provided by Article VII,~~
10 ~~Section 9(B) of the Constitution of Louisiana.~~

11 ~~(ii) To the political subdivisions of the state as provided in Article VII,~~
12 ~~Sections 4(D) and (E) of the Constitution of Louisiana.~~

13 ~~(iii) As provided by the requirements of Article VII, Sections 10-A and 10.1~~
14 ~~of the Constitution of Louisiana.~~

15 ~~(b) The base may be increased every ten years beginning in the year 2014~~
16 ~~by a law enacted by two-thirds of the elected members of each house of the~~
17 ~~legislature. Any such increase shall not exceed fifty percent in the aggregate of the~~
18 ~~increase in the consumer price index for the immediately preceding ten years.~~

19 ~~(3) (2)~~ The greater of twenty-five million dollars from any source, or twenty-
20 five percent of any money designated in the official forecast as nonrecurring as
21 provided in Article VII, Section ~~10(D)(2)~~ 14(D)(2) of the Constitution of Louisiana,
22 shall annually be deposited in and credited to the fund.

23 ~~(4) (3)~~ Any money appropriated or transferred to the fund by the legislature
24 including any appropriation to the fund from money designated in the official
25 forecast as provided in Article VII, Section ~~10(D)(2)~~ 14(D)(2) of the Constitution of
26 Louisiana shall be deposited in the fund.

27 ~~(5) (4)~~ An amount equivalent to the money received by the state from the
28 federal government for the reimbursement of costs associated with a federally

1 declared disaster, not to exceed the amount of costs appropriated out of the fund for
2 the same disaster pursuant to Paragraph (C)(3) of this Section.

3 B. Money in the fund shall be invested by the state treasurer in accordance
4 with law. Earnings realized in each fiscal year on the investment of monies in the
5 fund shall be deposited to the credit of the fund. All unexpended and unencumbered
6 monies in the fund at the end of the fiscal year shall remain in the fund.

7 C. The money in the fund shall not be available for appropriation except
8 under the following conditions:

9 * * *

10 (5) No appropriation or deposit to the fund shall be made if such
11 appropriation or deposit would cause the balance in the fund to exceed ~~four~~ seven
12 and one-half percent of total state revenue receipts for the previous fiscal year. For
13 the purposes of this Section, total state revenue receipts shall not include any monies
14 received by the state from the Federal Emergency Management Agency or other
15 sources providing disaster relief assistance.

16 * * *

17 §98.1. Creation of Funds; Millennium Trust

18 A. There shall be established in the state treasury ~~as~~ a special permanent trust
19 fund known as the Millennium Trust. After allocation of money to the Bond
20 Security and Redemption Fund as provided in Article VII, Section ~~9(B)~~ (13)(B) of
21 the Constitution of Louisiana, the treasurer shall deposit in and credit to the
22 Millennium Trust certain monies received as a result of the Master Settlement
23 Agreement, hereinafter the "Settlement Agreement", executed November 23, 1998,
24 and approved by Consent Decree and Final Judgment entered in the case "Richard
25 P. Ieyoub, Attorney General, ex rel. State of Louisiana v. Philip Morris,
26 Incorporated, et al.", bearing Number 98-6473 on the docket of the Fourteenth
27 Judicial District for the parish of Calcasieu, state of Louisiana; and all dividend and
28 interest income and all realized capital gains on investment of monies in the

1 Millennium Trust. The treasurer shall deposit in and credit to the Millennium Trust
2 ~~the following amounts of monies received as a result of the Settlement Agreement:~~

3 ~~(1) Fiscal Year 2000-2001, forty-five percent of the total monies received~~
4 ~~that year.~~

5 ~~(2) Fiscal Year 2001-2002, sixty percent of the total monies received that~~
6 ~~year.~~

7 ~~(3) Fiscal Year 2002-2003 and each fiscal year thereafter, seventy-five~~
8 ~~percent of the total monies received that year. each fiscal year as a result of the~~
9 ~~Settlement Agreement. However, beginning in Fiscal Year 2011-2012 after the~~
10 ~~balance in the Millennium Trust reaches a total of one billion three hundred eighty~~
11 ~~million dollars, the The monies deposited in and credited to the Millennium Trust,~~
12 ~~received by the state as a result of the Settlement Agreement, shall be allocated to~~
13 ~~the various funds within the Millennium Trust as provided in Subsections B, C, and~~
14 ~~D of this Section TOPS Fund.~~

15 ~~(4) For Fiscal Year 2000-2001, Fiscal Year 2001-2002, and Fiscal Year~~
16 ~~2002-2003, ten percent of the total monies received in each of those years for credit~~
17 ~~to the Education Excellence Fund which, notwithstanding the provisions of R.S.~~
18 ~~39:98.3(A), shall be appropriated for the purposes provided in R.S. 39:98.3(C)(4).~~

19 B.(1) The Health Excellence Fund shall be established as a special fund
20 within the Millennium Trust. The treasurer shall credit to the Health Excellence Fund
21 ~~one-third of the Settlement Agreement proceeds deposited each year into the~~
22 ~~Millennium Trust and one-third one-half of all dividend and interest income and all~~
23 ~~realized capital gains on investment of monies in the Millennium Trust. The~~
24 ~~treasurer shall report annually to the legislature as to the amount of Millennium Trust~~
25 ~~investment earnings credited to the Health Excellence Fund.~~

26 ~~(2) Beginning Fiscal Year 2011-2012, and each fiscal year thereafter, the~~
27 ~~treasurer shall credit to the Health Excellence Fund one-third of all dividend and~~
28 ~~interest income and all realized capital gains on investment of monies in the~~
29 ~~Millennium Trust.~~

1 ~~(3) Beginning July 1, 2012, after~~ After allocation of money to the Bond
2 Security and Redemption Fund as provided in Article VII, Section ~~9(B)~~ 13(B) of the
3 Constitution of Louisiana, the treasurer shall deposit in and credit to the Health
4 Excellence Fund the revenues derived from the tax imposed by R.S. 47:841(B)(3).

5 ~~C.(1) The Education Excellence Fund shall be established in the state~~
6 ~~treasury as a special fund within the Millennium Trust. The treasurer shall credit to~~
7 ~~the Education Excellence Fund one-third of the Settlement Agreement proceeds~~
8 ~~deposited into the Millennium Trust and one-third of all dividend and interest~~
9 ~~income and all realized capital gains on investment of monies in the Millennium~~
10 ~~Trust.~~

11 ~~(2) Beginning Fiscal Year 2011-2012, and each fiscal year thereafter, the~~
12 ~~treasurer shall credit to the Education Excellence Fund one-third of all dividend and~~
13 ~~interest income and all realized capital gains on investment of monies in the~~
14 ~~Millennium Trust.~~

15 ~~D.(1) The TOPS Fund shall be established in the state treasury as a special~~
16 ~~fund within the Millennium Trust. The treasurer shall credit to the TOPS Fund one-~~
17 ~~third of the Settlement Agreement proceeds deposited into the Millennium Trust and~~
18 ~~one-third of all dividend and interest income and all realized capital gains on~~
19 ~~investment of monies in the Millennium Trust.~~

20 ~~(2) Beginning Fiscal Year 2011-2012, and each fiscal year thereafter, the~~
21 ~~treasurer shall credit to the TOPS Fund one hundred percent of the Settlement~~
22 ~~Agreement proceeds deposited into the Millennium Trust and one-third~~ one-half of
23 all dividend and interest income and all realized capital gains on investment of
24 monies in the Millennium Trust. The treasurer shall report annually to the legislature
25 as to the amount of Millennium Trust settlement agreement proceeds investment
26 earnings credited to the TOPS Fund.

27 ~~(3) Upon the effective date of this Section, the state treasurer shall deposit,~~
28 ~~transfer, or otherwise credit funds in an amount equal to such Settlement Agreement~~

1 ~~proceeds deposited in and credited to the Millennium Trust received by the state~~
2 ~~between April 1, 2011, and the effective date of this Section to the TOPS Fund.~~

3 D. Monies credited to the Millennium Trust pursuant to Subsection A of this
4 Section shall be invested by the treasurer. A portion of the monies, not to exceed
5 thirty-five percent, may be invested in stock. However, the portion of monies in the
6 Millennium Trust which may be invested in stock may be increased to no more than
7 fifty percent by a specific legislative instrument which receives a favorable vote of
8 two-thirds of the elected members of each house of the legislature. The legislature
9 shall provide for procedures for the investment of such monies as provided in R.S.
10 39:98.2. The treasurer may contract, subject to the approval of the State Bond
11 Commission, for the management of such investments and, if a contract is entered
12 into, amounts necessary to pay the costs of the contract shall be appropriated from
13 the Millennium Trust.

14 §98.2. Investment of Millennium Trust

15 A. The treasurer is authorized and directed to invest monies in the
16 Millennium Trust which are available for investment in ~~the investments permitted~~
17 ~~for the Louisiana Education Quality Trust Fund, also known as the Kevin P. Reilly~~
18 ~~Sr. Louisiana Education Quality Trust Fund, as set forth in R.S. 17:3803(B), (D), and~~
19 ~~(E).~~ any of the following:

20 (1) Time certificates of deposit of any bank domiciled or having a branch
21 office in the state of Louisiana, savings accounts or shares of savings and loan
22 associations and savings banks, as defined by R.S. 6:703(16) and (17), or share
23 accounts and share certificate accounts of federally or state-chartered credit unions
24 issuing time certificates of deposit, issued for the state treasurer under this authority.
25 For those funds determined under prudent judgment of the state treasurer to be made
26 available for investment in time certificates of deposit, the rate of interest paid by the
27 banks shall be determined by rules and regulations adopted and promulgated by the
28 state treasurer. Competitive bidding may be used to establish the rate of interest on
29 fifty percent or less of the amount determined to be available as of that date for

1 investment in time certificates of deposit. Those financial institutions bidding on
2 time certificates of deposit shall meet the financial criteria established by rules and
3 regulations adopted and promulgated by the state treasurer. At the time of
4 investment, the interest rate under the provisions of this Subsection shall be a rate not
5 less than the prevailing market interest rate on direct obligations of the United States
6 Treasury with a similar length of maturity. The funds so invested shall not exceed
7 at any time the amount insured by the Federal Deposit Insurance Corporation (FDIC)
8 in any one bank, savings bank, or savings and loan association and shall not exceed
9 at any time the amount insured by the National Credit Union Administration, or other
10 deposit insurance corporation, in any one credit union, unless the uninsured portion
11 is collateralized by the pledge of securities in the manner provided by R.S. 49:321.

12 (2) Direct obligations of the United States government, a United States
13 government agency, a United States government instrumentality, or a United States
14 government-sponsored enterprise, the timely payment of the principal and interest
15 of which is fully and explicitly guaranteed by the full faith and credit of the
16 government of the United States of America, and contained in a list promulgated by
17 the state treasurer.

18 (3) Direct obligations of a United States government agency, United States
19 government instrumentality, or United States government-sponsored enterprise, the
20 timely payment of principal and interest of which is fully guaranteed by the issuing
21 entity, but are not explicitly guaranteed by the full faith and credit of the government
22 of the United States, and contained in a list promulgated by the state treasurer.

23 (4) Stocks of any corporation listed on the New York Stock Exchange, the
24 American Stock Exchange, the National Association of Securities Dealers
25 Automated Quotations System, or other such stock exchange domiciled in the United
26 States and registered with the United States Securities and Exchange Commission,
27 provided that the total investment in such stocks at any one time shall not exceed
28 thirty-five percent of the market value of all funds held by the treasurer in the
29 Millennium Trust.

1 (5)(a) Investment grade commercial paper issued in the United States, traded
2 in the United States markets, denominated in United States dollars, with a short-term
3 rating of at least A-1 by Standard & Poor's Financial Services LLC or P-1 by
4 Moody's Investor Service, Inc. or the equivalent rating by a nationally recognized
5 statistical rating organization.

6 (b) Investment grade corporate notes and bonds issued in the United States,
7 traded in United States markets, denominated in United States dollars, rated BAA or
8 better by Moody's Investor Service, Inc., or BBB or better by Standard & Poor's
9 Financial Services LLC, and the trades of which are settled through The Depository
10 Trust & Clearing Corporation, a national clearinghouse in the United States for the
11 settlement of securities trades.

12 (6) Money market funds consisting solely of securities otherwise eligible for
13 investment by the treasurer pursuant to this Section.

14 (7) Open-end mutual funds, closed-end mutual funds, and unit investment
15 trusts consisting solely of securities otherwise eligible for investment by the state
16 treasurer.

17 (8)(a) Tax exempt bonds and other taxable governmental bonds. In addition
18 to all other investment authority related to the Millennium Trust, the state treasurer
19 may invest in tax exempt bonds as defined in R.S. 49:342(C) and in taxable bonds
20 issued by any state or a political subdivision or public corporation of any state,
21 provided that such taxable bonds are rated at the time the investment is made by a
22 nationally recognized rating agency in one of the three highest rating categories of
23 that rating agency.

24 (b) Bonds, debentures, notes, or other similar obligations issued in the
25 United States market, denominated in United States dollars and which are the direct
26 legal obligations of a foreign nation which the International Monetary Fund lists as
27 an industrial country, for which investments in and/or business transactions with are
28 not prohibited or restricted by any law, regulation, or rule of the United States or the
29 state of Louisiana, and for which the full faith and credit of such nation has been

1 pledged for the payment of principal and interest; provided that any such security
2 shall be rated at least A- or better by Standard & Poor's Corporation or A3 or better
3 by Moody's, Inc., or an equivalent investment grade by a securities ratings
4 organization accepted by the National Association of Insurance Commissioners; and,
5 provided further that the total investment in such foreign securities at any one time
6 shall not exceed five percent of the market value of all investments held by the
7 treasurer in the Millennium Trust, or any other fund or investment of funds subject
8 to this investment authority.

9 (9) Any investment managers hired on a contract basis to advise the treasurer
10 regarding such investments shall be selected by the treasurer, subject to the approval
11 of the State Bond Commission, in accordance with a request for proposal process
12 using strict selection criteria based on sound industry principles. The contract, as
13 approved by the State Bond Commission, shall be on a fee, together with minimum
14 exchange fee, basis or on a commission basis only. The state treasurer shall adopt
15 and promulgate rules and regulations for such investments and for the selection of
16 outside investment managers.

17 (10) Open-end mutual funds, closed-end mutual funds, exchange-traded
18 funds, and unit investment trusts consisting solely of international securities
19 constructed to match or track the components of a market index provided by globally
20 recognized index providers, including but not limited to MSCI, FTSE, Dow Jones,
21 Standard & Poor's, Barclays, Citigroup, or any of their affiliates or successors and
22 assigns; however, the total investment in any and all such index funds at any one
23 time shall not exceed ten percent of the market value of all funds held by the
24 treasurer in the Millennium Trust. Nothing in this Paragraph shall be construed to
25 allow the state treasurer to invest directly in the common stock of foreign companies
26 known to do business with nations that support terrorism.

27 * * *

28 E. On or before December first of each year, the treasurer shall prepare and
29 submit a report on the performance of the Millennium Trust to the Joint Legislative

1 Committee on the Budget and the commissioner of administration for their review.

2 ~~With respect to the Education Excellence Fund, the report shall also be provided to~~
3 ~~the state superintendent of education.~~

4 ~~§98.3. Appropriations from the Health Excellence Fund, the Education Excellence~~
5 ~~Fund, and the TOPS Fund~~ §98.3. Appropriations from funds within the
6 Millennium Trust

7 A.(1) ~~Appropriations from the Education Excellence Fund shall be limited~~
8 ~~to an annual amount not to exceed the estimated aggregate annual earnings from~~
9 ~~interest, dividends, and realized capital gains on investment of the Millennium Trust~~
10 ~~allocated as provided by R.S. 39:98.1(B) and (C) as recognized by the Revenue~~
11 ~~Estimating Conference. Amounts determined to be available for appropriation shall~~
12 ~~be those aggregate investment earnings which are in excess of an inflation factor as~~
13 ~~determined by the Revenue Estimating Conference. The amount of estimated~~
14 ~~aggregate investment earnings available for appropriation shall be determined by~~
15 ~~subtracting the product of the inflation factor multiplied by the amount of aggregate~~
16 ~~investment earnings for the previous fiscal year from the amount of such estimated~~
17 ~~aggregate investment earnings. The amount of realized capital gains on investment~~
18 ~~which may be included in the aggregate earnings available for appropriation from the~~
19 ~~Millennium Trust in any fiscal year shall not exceed the aggregate of earnings from~~
20 ~~interest and dividends for that year.~~

21 (2)(a) ~~For Fiscal Year 2011-2012 appropriations from the Health Excellence~~
22 ~~Fund shall be limited to an annual amount not to exceed the estimated aggregate~~
23 ~~annual earnings from interest, dividends, and realized capital gains on investment of~~
24 ~~the trust and credited to the Health Excellence Fund as provided by R.S.~~
25 ~~39:98.1(B)(2) and as recognized by the Revenue Estimating Conference.~~

26 (b) ~~For Fiscal Year 2012-2013, and~~ For each fiscal year thereafter,
27 appropriations from the Health Excellence Fund shall be limited to an annual amount
28 not to exceed the estimated aggregate annual earnings from interest, dividends, and
29 realized capital gains on investment of the trust and credited to the Health Excellence

1 Fund as provided by ~~R.S. 39:98.1(B)(2)~~ R.S. 39:98.1(B)(1) and as recognized by the
2 Revenue Estimating Conference and the amount of proceeds credited to and
3 deposited into the Health Excellence Fund as provided by ~~R.S. 39:98.1(B)(3)~~ R.S.
4 39:98.1(B)(2).

5 ~~(3)(a) For Fiscal Year 2011-2012, appropriations from the TOPS Fund shall~~
6 ~~be limited to the amount of Settlement Agreement proceeds credited to and deposited~~
7 ~~into the TOPS Fund as provided by R.S. 39:98.1(D)(2) and (3), and an annual~~
8 ~~amount not to exceed the estimated aggregate annual earnings from interest,~~
9 ~~dividends, and realized capital gains on investment of the trust and credited to the~~
10 ~~TOPS Fund as provided by R.S. 39:98.1(D)(2) and as recognized by the Revenue~~
11 ~~Estimating Conference.~~

12 ~~(b) (2)(a) For Fiscal Year 2012-2013, and each fiscal year thereafter,~~
13 ~~appropriations from the TOPS Fund shall be limited to the amount of annual~~
14 ~~Settlement Agreement proceeds credited to and deposited into the TOPS Fund as~~
15 ~~provided in R.S. 39:98.1(D)(2) R.S. 39:98.1(C), and an annual amount not to exceed~~
16 ~~the estimated aggregate annual earnings from interest, dividends, and realized capital~~
17 ~~gains on investment of the trust and credited to the TOPS Fund as provided in R.S.~~
18 ~~39:98.1(D)(2) R.S. 39:98.1(C) and as recognized by the Revenue Estimating~~
19 ~~Conference.~~

20 ~~(c) For Fiscal Year 2011-2012, and each fiscal year thereafter, (b) The~~
21 ~~amounts determined to be available for appropriation from the TOPS Fund from~~
22 ~~interest earnings shall be those aggregate investment earnings which are in excess~~
23 ~~of an inflation factor as determined by the Revenue Estimating Conference. The~~
24 ~~amount of realized capital gains on investment which may be included in the~~
25 ~~aggregate earnings available for appropriation in any year shall not exceed the~~
26 ~~aggregate of earnings from interest and dividends for that year.~~

27 ~~(4) (3)~~ (3) Actual earnings from interest, dividends, and capital gains during the
28 fiscal year in excess of the amounts estimated as available for appropriation shall be
29 credited to the appropriate fund and available for appropriation in subsequent years.

1 Appropriations from the Health Excellence Fund, ~~the Education Excellence Fund,~~
2 and the TOPS Fund shall include performance expectations to ensure accountability
3 in the expenditure of such monies.

4 * * *

5 C. The Education Excellence Fund shall be established in the state treasury
6 as a special fund within the Millennium Trust. Appropriations from the Education
7 Excellence Fund shall be restricted as follows:

8 * * *

9 §98.4. Louisiana Fund

10 A. There shall be established in the state treasury as a special fund the
11 Louisiana Fund hereinafter the "Fund". After allocation of money to the Bond
12 Security and Redemption Fund as provided in Article VII, Section ~~9(B)~~ 13(B) of the
13 Constitution of Louisiana, the treasurer shall deposit in and credit to the Fund all
14 money remaining after deposit of monies into the Millennium Trust, which is
15 received as a result of the Master Settlement Agreement, hereinafter the "Settlement
16 Agreement", executed November 23, 1998, and approved by Consent Decree and
17 Final Judgment entered in the case "Richard P. Ieyoub, Attorney General, ex rel.
18 State of Louisiana v. Philip Morris, Incorporated, et al.", bearing Number 98-6473
19 on the docket of the Fourteenth Judicial District for the parish of Calcasieu, state of
20 Louisiana; and all interest income on investment of monies in the Fund. Monies in
21 the Fund shall be invested by the treasurer in the same manner as monies in the state
22 general fund. All unencumbered and unexpended monies in the ~~Fund~~ fund at the end
23 of the fiscal year shall remain in the Fund fund.

24 * * *

25 F. Any proposal by the governor for expenditure of monies from the Fund
26 shall be itemized separately within the executive budget and shall include a
27 description of the proposed uses and programmatic impacts of such expenditures.
28 Changing the purposes of or any proposal for the expenditure of monies from the
29 fund shall be submitted to the Attorney General who shall review and report to the

1 legislature regarding the effects of the proposal on the state's enforcement obligations
2 pursuant to the Master Settlement Agreement.

3 * * *

4 §100.116. Dedication of mineral revenues

5 A. All mineral revenues as defined in Subsection ~~D~~ B of this Section
6 received in each fiscal year by the state as a result of the production of or exploration
7 for minerals, hereinafter referred to as mineral revenues, shall be allocated as
8 provided in this Section after the following allocations and deposits of mineral
9 revenues have been made:

10 (1) To the Bond Security and Redemption Fund as provided by Article VII,
11 Section ~~9(B)~~ 13(B) of the Constitution of Louisiana.

12 (2) To the political subdivisions of the state as provided in Article VII,
13 ~~Sections 4(D) and (E)~~ Sections 8(B) and (C) of the Constitution of Louisiana and
14 R.S. 47:645.

15 (3) To the Louisiana Wildlife and Fisheries Conservation Fund as provided
16 by the requirements of Article VII, Section ~~10-A~~ 23 of the Constitution of Louisiana
17 and R.S. 47:324, R.S. 56:799, and 799.3.

18 * * *

19 (10) To the Coastal Protection and Restoration Fund as provided in ~~Article~~
20 ~~VII, Section 10.2 of the Constitution of Louisiana and~~ R.S. 49:214.5.4.

21 * * *

22 (12) To the Budget Stabilization Fund as provided in Article VII, Section
23 ~~10.3~~ 15 of the Constitution of Louisiana and R.S. 39:94.

24 * * *

25 B. ~~After the allocations and deposits provided in Subsection A of this~~
26 ~~Section, the mineral revenues received in each year in excess of six hundred sixty~~
27 ~~million dollars and less than nine hundred fifty million dollars shall be allocated as~~
28 ~~follows:~~

1 ~~(1) Thirty percent shall be appropriated to the Louisiana State Employees'~~
 2 ~~Retirement System and the Teachers' Retirement System of Louisiana for application~~
 3 ~~to the balance of the unfunded accrued liability of such systems existing as of June~~
 4 ~~30, 1988, in proportion to the balance of such unfunded accrued liability of each such~~
 5 ~~system, until such unfunded accrued liability has been eliminated. Any such~~
 6 ~~payments to the public retirement systems shall not be used, directly or indirectly,~~
 7 ~~to fund cost-of-living increases for such systems.~~

8 ~~(2) The remainder shall be deposited into the Revenue Stabilization Trust~~
 9 ~~Fund.~~

10 ~~C. Mineral revenues in excess of the base which would otherwise be~~
 11 ~~deposited into the Budget Stabilization Fund under R.S. 39:94(A)(2), but are~~
 12 ~~prohibited from being deposited into the fund under R.S. 39:94(C)(5), shall be~~
 13 ~~distributed as follows:~~

14 ~~(1) Thirty percent shall be appropriated to the Louisiana State Employees'~~
 15 ~~Retirement System and the Teachers' Retirement System of Louisiana for application~~
 16 ~~to the balance of the unfunded accrued liability of such systems existing as of June~~
 17 ~~30, 1988, in proportion to the balance of such unfunded accrued liability of each such~~
 18 ~~system, until such unfunded accrued liability has been eliminated. Any such~~
 19 ~~payments to the public retirement systems shall not be used, directly or indirectly,~~
 20 ~~to fund cost-of-living increases for such systems.~~

21 ~~(2) The remainder shall be deposited into the Revenue Stabilization Trust~~
 22 ~~Fund.~~

23 ~~D.~~ For purposes of this Section, "mineral revenues" shall include severance
 24 taxes, royalty payments, bonus payments, or rentals, with the following exceptions:

25 (1) Revenues designated as nonrecurring, pursuant to Article VII, Section
 26 ~~10(B)~~ 14(D) of the Constitution of Louisiana.

27 (2) Revenues received by the state as a result of grants or donations when the
 28 terms or conditions thereof require otherwise.

1 (3) Revenues derived from any tax on the transportation of minerals.

2 * * *

3 §100.118. Local Revenue Fund

4 A. There shall be established in the state treasury, as a special fund, the
5 Local Revenue Fund, hereinafter referred to in this Section as the "fund". After
6 allocation of money to the Bond Security and Redemption Fund as provided for in
7 Article VII of the Constitution of Louisiana, the treasurer shall deposit in and credit
8 to the Local Revenue Fund the avails of the taxes imposed by R.S. 47:301.1(F) and
9 any other revenue dedicated to the fund by the legislature. The legislature may
10 appropriate additional sums to the fund.

11 B. The monies in the fund shall be used solely for distribution to ad valorem
12 tax recipient bodies within a parish to offset losses attributable to business inventory
13 exemptions to the ad valorem tax granted by a parish.

14 C. Monies in the fund shall be invested in the same manner as monies in the
15 state general fund. Interest earned on the investment of monies in the fund shall be
16 deposited in and credited to the fund.

17 * * *

18 §100.161. Louisiana Unclaimed Property Permanent Trust Fund

19 * * *

20 B.

21 * * *

22 (3) Subject to the limitations provided in this Subsection, the state treasurer
23 may invest the monies deposited in and credited to the UCP Permanent Trust Fund
24 ~~in the same manner as authorized for the Louisiana Education Quality Trust Fund as~~
25 ~~set forth in R.S. 17:3803.~~ any of the following:

26 (i) Time certificates of deposit of any bank domiciled or having a branch
27 office in the state of Louisiana, savings accounts or shares of savings and loan
28 associations and savings banks, as defined by R.S. 6:703(16) and (17), or share
29 accounts and share certificate accounts of federally or state-chartered credit unions

1 issuing time certificates of deposit, issued for the state treasurer under this authority.
2 For those funds determined under prudent judgment of the state treasurer to be made
3 available for investment in time certificates of deposit, the rate of interest paid by the
4 banks shall be determined by rules and regulations adopted and promulgated by the
5 state treasurer. Competitive bidding may be used to establish the rate of interest on
6 fifty percent or less of the amount determined to be available as of that date for
7 investment in time certificates of deposit. Those financial institutions bidding on
8 time certificates of deposit shall meet the financial criteria established by rules and
9 regulations adopted and promulgated by the state treasurer. At the time of
10 investment, the interest rate under the provisions of this Subsection shall be a rate not
11 less than the prevailing market interest rate on direct obligations of the United States
12 Treasury with a similar length of maturity. The funds so invested shall not exceed
13 at any time the amount insured by the Federal Deposit Insurance Corporation (FDIC)
14 in any one bank, savings bank, or savings and loan association and shall not exceed
15 at any time the amount insured by the National Credit Union Administration, or other
16 deposit insurance corporation, in any one credit union, unless the uninsured portion
17 is collateralized by the pledge of securities in the manner provided by R.S. 49:321.

18 (ii) Direct obligations of the United States government, a United States
19 government agency, a United States government instrumentality, or a United States
20 government-sponsored enterprise, the timely payment of the principal and interest
21 of which is fully and explicitly guaranteed by the full faith and credit of the
22 government of the United States of America, and contained in a list promulgated by
23 the state treasurer.

24 (iii) Direct obligations of a United States government agency, United States
25 government instrumentality, or United States government-sponsored enterprise, the
26 timely payment of principal and interest of which is fully guaranteed by the issuing
27 entity, but are not explicitly guaranteed by the full faith and credit of the government
28 of the United States, and contained in a list promulgated by the state treasurer.

1 (iv) Stocks of any corporation listed on the New York Stock Exchange, the
2 American Stock Exchange, the National Association of Securities Dealers
3 Automated Quotations System, or other such stock exchange domiciled in the United
4 States and registered with the United States Securities and Exchange Commission,
5 provided that the total investment in such stocks at any one time shall not exceed
6 thirty-five percent of the market value of all funds held by the treasurer in the UCP
7 Permanent Trust Fund.

8 (v)(aa) Investment grade commercial paper issued in the United States,
9 traded in the United States markets, denominated in United States dollars, with a
10 short-term rating of at least A-1 by Standard & Poor's Financial Services LLC or P-1
11 by Moody's Investor Service, Inc., or the equivalent rating by a nationally recognized
12 statistical rating organization.

13 (bb) Investment grade corporate notes and bonds issued in the United States,
14 traded in United States markets, denominated in United States dollars, rated BAA or
15 better by Moody's Investor Service, Inc., or BBB or better by Standard & Poor's
16 Financial Services LLC, and the trades of which are settled through The Depository
17 Trust & Clearing Corporation, a national clearinghouse in the United States for the
18 settlement of securities trades.

19 (vi) Money market funds consisting solely of securities otherwise eligible
20 for investment by the treasurer pursuant to this Section.

21 (vii) Open-end mutual funds, closed-end mutual funds, and unit investment
22 trusts consisting solely of securities otherwise eligible for investment by the state
23 treasurer.

24 (viii) Tax exempt bonds and other taxable governmental bonds. In addition
25 to all other investment authority related to the UCP Permanent Trust Fund, the state
26 treasurer may invest in tax exempt bonds as defined in R.S. 49:342(C), and in
27 taxable bonds issued by any state or a political subdivision or public corporation of
28 any state, provided that such taxable bonds are rated at the time the investment is

1 made by a nationally recognized rating agency in one of the three highest rating
2 categories of that rating agency.

3 (ix) Bonds, debentures, notes, or other similar obligations issued in the
4 United States market, denominated in United States dollars and are the direct legal
5 obligations of a foreign nation which the International Monetary Fund lists as an
6 industrial country, for which investments in and/or business transactions with are not
7 prohibited or restricted by any law, regulation, or rule of the United States or the
8 state of Louisiana, and for which the full faith and credit of such nation has been
9 pledged for the payment of principal and interest; provided that any such security
10 shall be rated at least A- or better by Standard & Poor's Corporation or A3 or better
11 by Moody's, Inc., or an equivalent investment grade by a securities ratings
12 organization accepted by the National Association of Insurance Commissioners; and,
13 provided further that the total investment in such foreign securities at any one time
14 shall not exceed five percent of the market value of all investments held by the
15 treasurer in the UCP Permanent Trust Fund, or any other fund or investment of funds
16 subject to this investment authority.

17 (x) Any investment managers hired on a contract basis to advise the treasurer
18 regarding such investments shall be selected by the treasurer, subject to the approval
19 of the State Bond Commission, in accordance with a request for proposal process
20 using strict selection criteria based on sound industry principles. The contract, as
21 approved by the State Bond Commission, shall be on a fee, together with minimum
22 exchange fee, basis or on a commission basis only. The state treasurer shall adopt
23 and promulgate rules and regulations for such investments and for the selection of
24 outside investment managers.

25 (xi) Open-end mutual funds, closed-end mutual funds, exchange-traded
26 funds, and unit investment trusts consisting solely of international securities
27 constructed to match or track the components of a market index provided by globally
28 recognized index providers, including but not limited to MSCI, FTSE, Dow Jones,
29 Standard & Poor's, Barclays, Citigroup, or any of their affiliates or successors and

1 assigns; however, the total investment in any and all such index funds at any one
2 time shall not exceed ten percent of the market value of all funds held by the
3 treasurer in the UCP Permanent Trust Fund. Nothing in this Item shall be construed
4 to allow the state treasurer to invest directly in the common stock of foreign
5 companies known to do business with nations that support terrorism.

6 * * *

7 Section 4. R.S. 39:100.112 is hereby amended and reenacted to read as follows:

8 §100.112. Revenue Stabilization ~~Trust~~ Fund

9 A. There is hereby established in the state treasury a special ~~trust~~ fund, the
10 Revenue Stabilization ~~Trust~~ Fund, hereinafter referred to as the "fund".

11 B. ~~After allocation of money to the Bond Redemption and Security Fund as~~
12 ~~provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer~~
13 ~~shall deposit in and credit to the fund the revenues as provided for in Subsections C~~
14 ~~and D of this Section.~~ Monies in the fund shall be used only for the following
15 purposes:

16 (1) In accordance with Article VII, Section 37 of the Constitution of
17 Louisiana and R.S. 47:1703(B), a one-time payment shall be made to each parish that
18 elects to irrevocably exempt business inventory from ad valorem tax prior to July 1,
19 2026. The payment shall be made by the treasurer to the ad valorem tax collector
20 within thirty days of receipt of a certification from the secretary of the Department
21 of Revenue that the parish has irrevocably elected to exempt business inventory from
22 ad valorem tax.

23 (2) In any fiscal year in which the revenues received from corporation income
24 and franchise tax collections, as recognized by the Revenue Estimating Conference,
25 fall below eight hundred million dollars, the legislature may appropriate an amount
26 not to exceed the difference between actual corporation income and franchise tax
27 collections and eight hundred million from the Revenue Stabilization Fund.

1 C. ~~The treasurer shall deposit into the fund the amount of mineral revenues~~
2 ~~as provided in R.S. 39:100.116~~ Unexpended and unencumbered monies in the fund
3 at the end of the fiscal year shall remain in the fund.

4 ~~D. The treasurer shall deposit into the fund the amount of revenues in excess~~
5 ~~of six hundred million dollars received each fiscal year from corporate franchise and~~
6 ~~income taxes as recognized by the Revenue Estimating Conference.~~

7 ~~E.(1) Except as provided for in Subsection F of this Section, monies~~
8 ~~deposited into the Revenue Stabilization Trust Fund shall be permanently credited~~
9 ~~to the trust fund and shall be invested by the treasurer in the same manner as~~
10 ~~investments of the Millennium Trust, as provided in R.S. 39:98.2.~~

11 ~~(2) The treasurer shall deposit all interest or other income from investment~~
12 ~~on the fund into the state general fund.~~

13 ~~F.(1) Except as provided in Paragraphs (2) and (3) of this Subsection, no~~
14 ~~appropriations shall be made from the Revenue Stabilization Trust Fund.~~

15 ~~(2)(a) In any fiscal year in which the balance of the fund at the beginning of~~
16 ~~the year is in excess of five billion dollars, hereinafter referred to as the minimum~~
17 ~~fund balance, the legislature may appropriate an amount not to exceed ten percent~~
18 ~~of the fund balance, hereinafter referred to as the allowable percentage, for the~~
19 ~~following:~~

20 ~~(i) Capital outlay projects in the comprehensive state capital budget.~~

21 ~~(ii) Transportation infrastructure.~~

22 ~~(b) The minimum fund balance or the allowable percentage may be changed~~
23 ~~by a law enacted by two-thirds of the elected members of each house of the~~
24 ~~legislature.~~

25 ~~(c) Notwithstanding any provision of this Paragraph to the contrary, for~~
26 ~~Fiscal Year 2024-2025, the minimum fund balance shall equal two billion two~~
27 ~~hundred million dollars, and the allowable percentage shall equal thirty-three~~
28 ~~percent.~~

1 ~~(3) In order to ensure the money in the fund is available for appropriation in~~
 2 ~~an emergency, the legislature may authorize an appropriation from the fund at any~~
 3 ~~time for any purpose pursuant to a concurrent resolution adopted by a favorable vote~~
 4 ~~of two-thirds of the elected members of each house of the legislature. If the~~
 5 ~~legislature is not in session, the two-thirds consent requirement shall be obtained as~~
 6 ~~provided in R.S. 39:87.~~

* * *

8 Section 5. R.S. 48:77(A) is hereby amended and reenacted to read as follows:

9 §77. Transportation Trust Fund; dedication and uses of certain monies to the
 10 Construction Subfund and the Megaprojects Leverage Fund

11 A. The avails of the taxes imposed by Chapters 2, 2-A, and 2-B of Subtitle
 12 II of Title 47 of the Louisiana Revised Statutes of 1950 from the sale, use, or lease
 13 of motor vehicles that are taxable pursuant to Chapters 2, 2-A, and 2-B of Subtitle
 14 II of Title 47 of the Louisiana Revised Statutes of 1950, after satisfying the
 15 requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative
 16 to the Bond Security and Redemption Fund, shall be deposited into the Construction
 17 Subfund of the Transportation Trust Fund provided for in Article VII, Section
 18 27(B)(2) of the Constitution of Louisiana, referred to in this Section as the
 19 "subfund", and the Megaprojects Leverage Fund as provided in R.S. 48:77.1, as
 20 follows:

21 ~~(1) For Fiscal Year 2023-2024, thirty percent of the avails shall be deposited~~
 22 ~~into the subfund and the Megaprojects Leverage Fund as provided in R.S.~~
 23 ~~48:77.1(A).~~

24 ~~(2) For Fiscal Year 2024-2025 and each fiscal year thereafter, sixty percent~~
 25 of the avails shall be deposited into the subfund and the Megaprojects Leverage Fund
 26 as provided in R.S. 48:77.1(A).

27 (2) For Fiscal Year 2025-2026 and Fiscal Year 2026-2027, an amount not to
 28 exceed forty million dollars shall be deposited into the Megaprojects Leverage Fund

1 for the I-10 Calcasieu River Bridge and I-10 Improvements Account as provided
2 in R.S.48:77.1(A)(1)(a) and (b).

3 (3) For Fiscal Year 2027-2028 and each fiscal year thereafter, sixty percent
4 of the avails shall be deposited into the subfund and the Megaprojects Leverage Fund
5 as provided in R.S. 48:77.1(A).

6 * * *

7 Section 6. R.S. 49:214.5.4(B) through (J) are hereby amended and reenacted to read
8 as follows:

9 §214.5.4. Funding and resource allocation

10 * * *

11 B. Of all mineral revenues received in each fiscal year by the state including
12 those received as a result of the production of or exploration for minerals, hereinafter
13 referred to as mineral revenues from severance taxes, royalty payments, bonus
14 payments, or rentals, and excluding federal revenues received as provided in
15 Subsection ~~E~~ D of this Section and such revenues received by the state as a result of
16 grants or donations when the terms or conditions thereof require otherwise, the
17 treasurer shall make the following allocations:

18 (1) To the Bond Security and Redemption Fund as provided in Article VII,
19 Section ~~9(B)~~ 13(B) of the Constitution of Louisiana.

20 (2) To ~~the~~ political subdivisions ~~of the state~~ as provided in Article VII,
21 Sections ~~4(D) and (E)~~ 8(B) and (C) of the Constitution of Louisiana.

22 (3) As provided by the requirements of Article VII, ~~Sections 10-A and 10.1~~
23 Section 23 of the Constitution of Louisiana.

24 C. After making the allocations provided for in Subsection B of this Section,
25 the treasurer shall then deposit in and credit to the Coastal Protection and Restoration
26 Fund ~~any an~~ an amount of mineral revenues ~~that may be necessary to ensure that a total~~
27 ~~of~~ equal to twenty-five million dollars, which shall be adjusted by an amount equal
28 to the percentage increase in the Consumer Price Index United States city average
29 for all urban consumers (CPI-U), as reported by the United States Department of

1 Labor, Bureau of Labor Statistics, or its successor, for the previous calendar year ~~is~~
2 ~~deposited into such fund for the fiscal year from this source;~~ provided that the
3 balance of the fund which consists of mineral revenues from severance taxes, royalty
4 payments, bonus payments, or rentals shall not exceed the amount provided in
5 Subsection ~~F~~ E of this Section.

6 D. ~~After making the allocations and deposits as provided for in Subsections~~
7 ~~B and C of this Section, the treasurer shall deposit in and credit to the fund as~~
8 ~~follows:~~

9 (1) ~~Two percent of the mineral revenues received in excess of the allocations~~
10 ~~provided for in Subsections B and C of this Section. The treasurer shall reduce the~~
11 ~~deposit made pursuant to this Paragraph by the amount of deposits made pursuant~~
12 ~~to Paragraphs (2) and (3) of this Subsection.~~

13 (2) ~~Ten million dollars of the mineral revenues in excess of six hundred~~
14 ~~million dollars which remain after the allocations provided for in Subsection B of~~
15 ~~this Section are made by the treasurer.~~

16 (3) ~~Ten million dollars of the mineral revenues in excess of six hundred fifty~~
17 ~~million dollars which remain after the allocations provided in Subsection B of this~~
18 ~~Section are made by the treasurer.~~

19 E.(1) Subject to Article VII, ~~Sections 9(B) and 10.1~~ Section 13(B) of the
20 Constitution of Louisiana, in each fiscal year, the federal revenues that are received
21 by the state generated from Outer Continental Shelf energy production, including but
22 not limited to oil and gas activity, wind energy, solar energy, tidal energy, wave
23 energy, geothermal energy, and other alternative or renewable energy production or
24 sources, and eligible, as provided by federal law, to be used for the purposes
25 provided in this Subsection shall be deposited and credited by the treasurer to the
26 Coastal Protection and Restoration Fund.

27 (2) Such federal revenues shall be used only for the purposes of integrated
28 coastal protection, including but not limited to coastal wetlands conservation, coastal

1 restoration, hurricane protection, or for infrastructure directly impacted by coastal
2 wetlands losses.

3 (3) In each year, no more than ten percent of the federal revenues received
4 by the state generated from Outer Continental Shelf oil and gas activity may be used
5 for the purposes of infrastructure directly impacted by coastal wetlands losses.

6 (4) In each fiscal year, at least two hundred thousand dollars but no more
7 than seven percent of the federal revenues received by the state generated from Outer
8 Continental Shelf oil and gas activity may be used for administrative costs or fees.
9 The provisions of this Paragraph shall not apply to the following:

10 (a) Any revenues received by the state pursuant to 43 U.S.C. 1337(g), also
11 known as "8(g)" funds.

12 (b) Any securitization or other monetizing of all or any portion of the federal
13 revenues received by the state generated from Outer Continental Shelf oil and gas
14 activity.

15 (c) Any monies received by the state for reimbursement of costs in response
16 to the Deepwater Horizon oil spill.

17 (5)(a) Beginning with Fiscal Year 2022, a portion of the total federal revenues
18 received by the state generated from Outer Continental Shelf oil and gas activity shall
19 be allocated solely for hurricane protection projects, including operation and
20 maintenance, that are included in or consistent with the master plan as follows:

21 (i) For Fiscal Years 2022 through 2024, a minimum of forty percent.

22 (ii) For Fiscal Years 2025 through 2027, a minimum of forty-five percent.

23 (iii) For Fiscal Year 2028 and subsequent fiscal years, a minimum of fifty
24 percent.

25 (b) If the total federal revenues received by the state generated from Outer
26 Continental Shelf oil and gas activity are less than one hundred million dollars in any
27 fiscal year, then the minimum allocations contained in Subparagraph (a) of this
28 Paragraph shall not apply.

1 (c) The authority may offset the funds allocated for hurricane protection
2 projects as provided in Subparagraph (a) of this Paragraph with funds from other
3 available sources.

4 (d) In the event the authority is unable to meet the allocations as provided in
5 Subparagraph (a) of this Paragraph in any fiscal year, the authority may modify the
6 allocation for that fiscal year. No modification shall be made without prior approval
7 of the board and the Joint Legislative Committee on the Budget.

8 (e) Any revenues received by the state as provided in this Paragraph and
9 allocated to a levee district shall only be utilized by a levee district for construction,
10 and operations and maintenance of hurricane protection projects.

11 ~~F. E.~~ The money in the fund shall be invested as provided by law and any
12 earnings realized on investment of money in the fund shall be deposited in and
13 credited to the fund. Revenues derived from integrated coastal protection programs,
14 projects, or activities shall be deposited in and credited to the fund. Money from
15 other sources, such as donations, appropriations, or dedications, may be deposited
16 in and credited to the fund; however, the balance of the fund which, exclusive of
17 federal revenues received as provided for in Subsection ~~E D~~ of this Section and state
18 revenues as provided in Subsection ~~K J~~ of this Section, consists of mineral revenues
19 from severance taxes, royalty payments, bonus payments, or rentals shall not exceed
20 five hundred million dollars. Any unexpended money remaining in the fund at the
21 end of the fiscal year shall be retained in the fund.

22 ~~G. F.~~ The money in the Coastal Protection and Restoration Fund is subject
23 to appropriations by the legislature for the purposes of integrated coastal protection.
24 The money in the fund may be used only for those projects and programs which are
25 consistent with the statement of intent, R.S. 49:214.1, and the annual plan as it
26 pertains to the integrated coastal protection and may include but not be limited to the
27 following purposes:

28 (1) Projects and structures engineered for the enhancement, creation, or
29 restoration of coastal wetlands.

1 (2) Match for federal or local project planning, design, construction, and
2 monitoring.

3 (3) Administration and project management, planning, design, construction,
4 and monitoring.

5 (4) Operation and maintenance of structural projects consistent with the
6 purpose of this fund.

7 (5) Vegetation planting, seeding, or other revegetation methods.

8 (6) Planning and implementation of modifications to federal, state, or local
9 flood control, navigation, irrigation, or enhancement projects.

10 (7) For coastal wetlands conservation, coastal restoration, coastal zone
11 management, hurricane protection, and infrastructure directly impacted by coastal
12 wetlands losses.

13 (8) The administration and operation of the Coastal Protection and
14 Restoration Authority, the Coastal Protection and Restoration Authority Board, the
15 Governor's Advisory Commission on Coastal Protection, Restoration, and
16 Conservation, and the Coastal Protection and Restoration Financing Corporation.

17 (9) Projects and programs promoting scientific, technical, and engineering
18 advancements for the sustainability of coastal Louisiana and ensuring that the best
19 available scientific and technical information and tools are available for the
20 implementation of the master plan and annual plan.

21 (10) Payment of debt service or other payment obligations required in
22 connection with bonds or other debt obligations of the Coastal Protection and
23 Restoration Authority.

24 ~~H. G.~~ G. As used in this Section, the term "balance of the fund" shall mean
25 those monies in the fund which have not been expended or obligated under the plan
26 approved pursuant to R.S. 49:214.5.3, or otherwise obligated in accordance with law.

27 ~~H. H.~~ H.(1) Any monies received by the state for violations pursuant to section
28 311 of the Federal Water Pollution Control Act, 33 U.S.C. 1321; R.S. 30:2025(E)(1)
29 and (2); and R.S. 30:2001 et seq., including R.S. 30:2071 et seq., associated with the

1 Deepwater Horizon oil spill that began on April 20, 2010, shall be deposited and
2 credited by the treasurer to the Coastal Protection and Restoration Fund for
3 integrated coastal protection efforts, including coastal restoration, hurricane
4 protection, and improving the resiliency of the Louisiana Coastal Area affected by
5 the Deepwater Horizon oil spill.

6 (2) Nothing in this Subsection shall be construed as affecting funds
7 associated with the Natural Resources Damage Assessment process.

8 J. I. The authority is authorized to create one or more construction or project
9 funds within the Coastal Protection and Restoration Fund, into which may be
10 deposited the proceeds of any bonds or other debt obligations of the authority. Such
11 construction or project funds may be maintained by the authority or any fiduciary
12 appointed in connection with the authority only for the purpose or purposes for
13 which such bonds or other debt obligations are issued. Funds held in any such
14 construction or project fund shall not be subject to the other requirements of this
15 Section.

16 ~~K. J.(1)~~ Subject to Article VII, ~~Sections 9(B) and 10.1~~ Section 13(B) of the
17 Constitution of Louisiana, in each fiscal year, the revenues that are received by the
18 state generated upon state lands or waterbottoms located in the coastal area from
19 alternative or renewable energy production or sources, including but not limited to
20 wind energy, solar energy, tidal energy, wave energy, and geothermal energy, shall
21 be deposited and credited by the treasurer to the Coastal Protection and Restoration
22 Fund.

23 (2) Such revenues shall be used only for the purposes of integrated coastal
24 protection, including but not limited to coastal wetlands conservation, coastal
25 restoration, hurricane protection, or for infrastructure directly impacted by coastal
26 wetlands losses.

27 (3) In each year, no more than ten percent of the revenues received by the
28 state generated upon state lands or waterbottoms located in the coastal area from
29 alternative or renewable energy production or sources, including but not limited to

1 wind energy, solar energy, tidal energy, wave energy, and geothermal energy, may
2 be used for the purposes of infrastructure directly impacted by coastal wetlands
3 losses.

4 Section 7. R.S. 56:639.8(C) and (E)(1) are hereby amended and reenacted and R.S.
5 56:639.8(H) is hereby enacted to read as follows:

6 §639.8. Department of Wildlife and Fisheries; Artificial Reef Development Fund

7 * * *

8 C. There is hereby established a fund in the state treasury to be known as the
9 Artificial Reef Development Fund, hereinafter referred to as the "Reef Fund" or
10 "fund", into which the state treasurer shall each fiscal year, ~~and beginning with the~~
11 ~~1986-1987 Fiscal Year~~, deposit the funds received as provided in Subsections A and
12 B of this Section, after those revenues have been deposited in the Bond Security and
13 Redemption Fund. Out of the funds remaining in the Bond Security and Redemption
14 Fund after a sufficient amount is allocated from that fund to pay all obligations
15 secured by the full faith and credit of the state that become due and payable within
16 each fiscal year, the treasurer, prior to placing such funds in the state general fund,
17 shall pay into the Reef Fund an amount equal to the funds deposited by the
18 department into the treasury as provided in Subsection B of this Section. The monies
19 in the Reef Fund shall be used solely as provided by Subsection E ~~herein~~ of this
20 Section and only in the amounts appropriated by the legislature. All unexpended and
21 unencumbered monies in the Reef Fund at the end of the fiscal year shall remain in
22 the fund. The monies in the fund shall be invested by the state treasurer in the same
23 manner as monies in the state general fund, and interest earned on the investment of
24 these monies shall be credited to the fund, again, following compliance with the
25 requirement of Article VII, Section ~~9(B)~~ 13(B) of the Constitution of Louisiana,
26 relative to the Bond Security and Redemption Fund.

27 * * *

28 E.(1) Monies may be withdrawn directly from the Reef Fund for the
29 operation of the program as described in R.S. 56:639.5, including evaluation of the

1 program and administrative and field support for the siting, designing, constructing,
2 permitting, establishing, monitoring, and maintenance of artificial reefs established
3 pursuant to this Subpart until such time that the council determines that the annual
4 interest earnings from the fund are sufficient to run the program.

5 * * *

6 H. The state treasurer shall prepare and submit to the department on a
7 quarterly basis a written report showing the amount of money contained in the fund
8 from all sources.

9 * * *

10 Section 8. R.S. 17:3801(B), (C)(4), and (F), R.S. 30:86(C), and R.S. 39:98.3(E),
11 100.116(A)(4), (9), (11), (13), (C), and (D), and R.S. 49:214.5.4(K) are hereby repealed in
12 their entirety.

13 Section 9. R.S. 56:639.8(E)(3) is hereby repealed in its entirety.

14 Section 10. R.S. 17:3801 through 3805 and R.S. 39:98.3(C) are hereby repealed in
15 their entirety.

16 Section 11. R.S. 39:100.112 is hereby repealed in its entirety. The state treasurer is
17 hereby authorized and directed to transfer any remaining balance in the Revenue
18 Stabilization Fund to the state general fund. Monies transferred pursuant to this Section
19 shall be recognized by the Revenue Estimating Conference as nonrecurring revenues.

20 Section 12. R.S. 39:97 is hereby repealed in its entirety. The state treasurer is hereby
21 authorized and directed to transfer any remaining balance in the Mineral Revenue Audit and
22 Settlement Fund to the state general fund.

23 Section 13. The Louisiana State Law Institute is hereby authorized and directed to
24 review all statutes which contain citations being changed by this Act and the Act that
25 originated as House Bill No. 7 of the 2024 Third Extraordinary Session of the Legislature
26 and in all statutory locations it deems appropriate change such references.

27 Section 14. Because of the broad impact of this Act and the Act that originated as
28 House Bill No. 7 of the 2024 Third Extraordinary Session of the Legislature, the Louisiana
29 State Law Institute is authorized and directed to study and make such recommendations as

1 it deems necessary to revise statutory language to comply with changes that will be made
2 by such Acts, if the Acts become effective. The Law Institute is directed to report its
3 recommendations to the legislature on or before February 15, 2025.

4 Section 15. Upon the effective date of this Act, the state treasurer is hereby
5 authorized and directed to transfer from the Revenue Stabilization Fund, into the Budget
6 Stabilization Fund, an amount sufficient to bring the balance of the Budget Stabilization
7 Fund equal to seven and one-half percent of the total state revenue receipts for the prior
8 fiscal year.

9 Section 16. The provisions of Section 11 of this Act shall take effect and become
10 operative on July 1, 2027, if and when the proposed amendment of Article VII of the
11 Constitution of Louisiana contained in the Act which originated as House Bill No. 7 of this
12 2024 Third Extraordinary Session of the Legislature is adopted at a statewide election and
13 becomes effective.

14 Section 17. The provisions of Section 10 of this Act shall take effect and become
15 operative on June 30, 2025, if and when the proposed amendment of Article VII of the
16 Constitution of Louisiana contained in the Act which originated as House Bill No. 7 of this
17 2024 Third Extraordinary Session of the Legislature is adopted at a statewide election and
18 becomes effective.

19 Section 18. The provisions of this Section and Section 4 of this Act shall take effect
20 and become operative on July 1, 2025, if and when the proposed amendment of Article VII
21 of the Constitution of Louisiana contained in the Act which originated as House Bill No. 7
22 of this 2024 Third Extraordinary Session of the Legislature is adopted at a statewide election
23 and becomes effective.

24 Section 19. The provisions of Section 5 shall become effective on July 1, 2025.

25 Section 20. The provisions of this Section and Sections 1 through 3, 6 through 8, 12,
26 13, and 15 through 17 shall take effect and become operative if and when the proposed
27 amendment of Article VII of the Constitution of Louisiana contained in the Act which
28 originated as House Bill No. 7 of this 2024 Third Extraordinary Session of the Legislature
29 is adopted at a statewide election and becomes effective.

1 Section 21. The provisions of this Section and Sections 9, 14, and 19 of this Act shall
2 become effective upon signature by the governor or, if not signed by the governor, upon
3 expiration of the time for bills to become law without signature by the governor, as provided
4 by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and
5 subsequently approved by the legislature, this Act shall become effective on the day
6 following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____