

Regular Session, 2011

SENATE BILL NO. 144

BY SENATOR WALSWORTH

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING. Provides relative to the sunset and abolition of certain special funds in the state treasury. (7/1/11)

AN ACT

To amend and reenact R.S. 49:308.5(B)(3)(c) and to enact R.S. 49:308.5(C)(6), relative to special funds and dedication of money; to sunset and abolish certain funds and statutory dedications; to provide for certain exceptions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 49:308.5(B)(3)(c) is hereby amended and reenacted and R.S. 49:308.5(C)(6) is hereby enacted to read as follows:

§308.5. Special funds and dedication of money

\* \* \*

B.

\* \* \*

(3)

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(c)(i) The Joint Legislative Committee on the Budget, hereinafter referred to as "the committee," shall conduct a review of the special funds and dedications as specified in each such plan and schedule.

**(ii) In the event the Joint Legislative Committee on the Budget makes a recommendation to the legislature to abolish a fund submitted for review, the fund shall be terminated in the year in which such Act abolishing the fund becomes effective.**

**(iii) For any funds abolished under the provisions of this Section, all laws of the state which dedicate money required to be deposited in the state treasury shall also be repealed and superseded. The treasurer shall be authorized and directed to transfer the balances of the abolished funds and deposit them into the general fund. The treasurer, upon receipt of such money, and after compliance with the requirements of Article VII, Section 9(B) of the constitution relative to the Bond Security and Redemption Fund, shall deposit the money in and credit it to the general fund. All interest earned on the investment of the money shall be deposited in and credited to the general fund.**

C. This Section shall not apply to or affect the laws which dedicate or otherwise provide for the use of the following money or the laws which provide for the following special funds in the state treasury:

\* \* \*

**(6) Special funds and dedications of money that are derived from the imposition, assessment, or collection of a fee or from self-generated revenue.**

Section 2. This Act shall become effective on July 1, 2011.

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The original instrument was prepared by Heyward Jeffers. The following digest, which does not constitute a part of the legislative instrument, was prepared by Jay Lueckel.

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#### DIGEST

Walsworth (SB 144)

Present law provides that beginning October 1, 2009 and every two years thereafter, the division of administration shall develop a plan for the review and approval by the Joint Legislative Committee on the Budget (hereinafter referred to as JLCB) of 25% of the special funds and dedications. No later than February 15, 2010 and every two years thereafter, JLCB shall report its findings. Present law provides for certain exceptions and exclusions.

Proposed law retains present law and adds requirement relative to the review of funds that in the event the JLCB makes a recommendation to the legislature to abolish a fund submitted, the fund shall be terminated in the year in which the Act abolishing the fund becomes effective.

Proposed law provides relative to abolished funds that the treasurer shall be authorized and directed to transfer the balances of the abolished funds to the state general fund, along with any interest earnings.

Proposed law exempts special funds and dedications of money that are derived from the imposition, assessment, or collection of a fee or from self-generated revenue.

Effective July 1, 2011.

(Amends R.S. 49:308.5(B)(3)(c) and adds R.S. 49:308.5(C)(6))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill.

1. Deletes provisions abolishing all statutory funds beginning June 30, 2012, and every four years thereafter, unless the legislature enacts a law to continue or recreate a fund.
2. Adds a new requirement relative to the JLCB's on-going biannual review of funds that in the event the JLCB makes a recommendation to the legislature to abolish a fund under its review, the fund shall be terminated in the year in which the legislative Act abolishing the fund becomes effective.