ENROLLED

Regular Session, 2011

ACT No. 263

HOUSE BILL NO. 287

BY REPRESENTATIVE HAZEL

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

AN ACT

To amend and reenact R.S. 40:1299.44(A)(1), relative to the Patient's Compensation Fund; to provide for a private custodial fund; to provide for the classification of assets; to exempt participation in certain funds; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 40:1299.44(A)(1) is hereby amended and reenacted to read as follows:

§1299.44. Patient's Compensation Fund

A.(1)(a) All funds collected pursuant to the provisions hereof shall be considered self-generated revenues, promptly deposited by the Patient's Compensation Fund Oversight Board into a fund designated as the "Patient's Compensation Fund". The Patient's Compensation Fund Oversight Board is established and authorized pursuant to Subsection D of this Section. Neither the fund nor the board shall be a budget unit of the state. <u>The assets of the fund shall not be state property, subject to appropriation by the legislature, or required to be deposited in the state treasury.</u> The state recognizes and acknowledges that the fund and any income from it are not public monies, but rather are private monies which shall be held in trust as a <u>private</u> custodial fund by the board for the use, benefit, and protection of medical malpractice claimants and the fund's private health care provider members, and all of such funds and income earned from investing the private monies comprising the corpus of this fund shall be subject to use and disposition only as provided by this Section.

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(b) The Patient's Compensation Fund Oversight Board may enter into a cooperative endeavor agreement whereby the state treasurer shall be authorized to invest a portion of the private monies comprising the corpus of the fund, as determined by the board, in the same manner and in accordance with the law governing the investment of funds of the state, or develop and adopt an investment policy which complies with R.S. 49:327(B)(5). Income from investments under the authority of this Subsection shall be credited to the fund.

(c) The fund shall be exempt from participation in and shall not join or contribute financially to or be entitled to the protection of any plan, pool, association, or guaranty fund or insolvency fund.

(d) Neither the fund nor the board may rely on the full faith and credit of this state for payment of legal obligations.

(e) The fund and the board shall not be entitled to an appropriation of state general funds without a specific appropriation approved by the legislature.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

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