Prior law provided that the Revenue Estimating Conference shall designate in each official forecast those monies which are nonrecurring. At a minimum, 25% shall be appropriated for deposit in the Budget Stabilization Fund. The remainder of such nonrecurring monies shall be appropriated for the following purposes:

(1) Retiring or defeasance of bonds in advance of and in addition to the existing amortization requirements of the state.

(2) Providing for payments against the unfunded accrued liability of the public retirement systems which are in addition to any payments required for the annual amortization of the unfunded accrued liability of the public retirement systems.

(3) Providing funding for capital outlay projects in the comprehensive state budget.

(4) Providing for allocation or appropriation for deposit into the Wetlands Conservation and Restoration Fund.

(5) Providing for new highway construction for which federal matching funds are available, without excluding highway projects otherwise eligible as capital projects under other provisions of law.

New law retains prior law and further requires that for FY 2013-2014 and FY 2014-2015, a minimum of 5% of any money designated in the official forecast as nonrecurring be applied toward payment of the balance of the unfunded accrued liabilities for those liabilities which existed as of June 30, 1988, for the La. State Employees' Retirement System and the Teachers Retirement System of La. in proportion to the balance of such unfunded accrued liability of each system.

New law further provides that for FY 2015-2016 and every fiscal year thereafter, the minimum amount applied toward payment of the balance of the unfunded accrued liabilities shall increase to 10%.

Effective upon approval of the proposed amendment of Article VII, §10(D)(2)(b) of the Const. of La. in HB No. 384 of the 2011 R.S.

(Amends R.S. 39:54(B))