

Regular Session, 2012

HOUSE BILL NO. 822

BY REPRESENTATIVE FANNIN

FUNDS/FUNDING: Provides for the transfer and deposit of monies among state funds

1 AN ACT

2 To amend and reenact R.S. 22:842, relative to special treasury funds; to provide for deposits
3 into the Louisiana Medical Assistance Trust Fund; to provide for the transfer,
4 dedication, use, and appropriations as specified of certain treasury funds; to provide
5 for the deposit of certain funds into the state treasury; to provide for effective dates;
6 and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:842 is hereby amended and enacted to read as follows:

9 §842. Life, accident, health, or service insurance

10 A. Upon the business of issuing life, accident, health, or service insurance
11 policies, or other forms of contracts or obligations covering such risks, or issuing
12 endowment policies on contracts, or other similar forms of contract obligations, the
13 minimum annual tax shall be one hundred forty dollars when the gross annual
14 premiums are seven thousand dollars or less. When the gross annual premiums are
15 more than seven thousand dollars, the amount of tax payable shall be increased to
16 two hundred twenty-five dollars for each additional ten thousand dollars, or fraction
17 thereof, of gross annual premiums. The business of issuing each of the kinds of
18 insurance or contracts mentioned in this Section may be combined under one tax, and
19 the amount of the tax shall be based on the combined gross annual premiums of all
20 such businesses.

1 B. Taxes collected under the provision of this Section from health care
2 premium assessments paid by Medicaid-enrolled managed care organizations, after
3 first having been credited to the Bond Security and Redemption Fund as required by
4 Article VII, Section 9(B) of the Constitution of Louisiana, shall be deposited into the
5 Louisiana Medical Assistance Trust Fund.

6 Section 2.(A) After satisfying the requirements of the Bond Security and
7 Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana,
8 the state treasurer is hereby authorized and directed to transfer all loan payments received
9 from political subdivisions, except from the city of New Orleans, under Section 7 of Act No.
10 41 of the 2006 First Extraordinary Session of the Legislature, of at least Eighty-Four Million
11 Four Hundred Six Thousand Six Hundred Ninety-Seven Dollars, to the state general fund.

12 (B) Notwithstanding any provision of the law to the contrary, the state treasurer is
13 hereby authorized and directed to transfer the following amounts into the state general fund:

14 (1) Two Hundred Forty Dollars from the Algiers Economic Development
15 Foundation Fund.

16 (2) Five Million Dollars from the Artificial Reef Development Fund.

17 (3) Forty-One Thousand Three Hundred Sixty-Six Dollars from the Automobile
18 Theft and Insurance Fraud Prevention Authority Fund.

19 (4) One Thousand One Hundred Ninety-Eight Dollars from the Beautification
20 Project For New Orleans Neighborhoods Fund.

21 (5) Seven Thousand Six Hundred Eighty-Nine Dollars from the Bossier Parish
22 Truancy Program Fund.

23 (6) One Thousand Seven Hundred Sixty Dollars from the Casino Gaming Proceeds
24 Fund.

25 (7) Two Hundred Forty-Three Thousand Three Hundred Twenty-Six Dollars from
26 the Concealed Handgun Permit Fund.

27 (8) Two Hundred Two Thousand Three Hundred Seventy-Three Dollars from the
28 Department of Justice Debt Collection Fund.

1 (9) Four Hundred Thirty-Six Thousand Eight Hundred Twelve Dollars from the
2 Department of Justice Legal Support Fund.

3 (10) Fifty-Eight Thousand Two Hundred Forty Dollars from the Entertainment
4 Promotion and Marketing Fund.

5 (11) One Million Nine Hundred Fourteen Thousand One Hundred Thirty-One
6 Dollars from the Environmental Trust Fund.

7 (12) Ninety-Five Thousand Three Hundred Twenty-Six Dollars from the FEMA
8 Reimbursement Fund.

9 (13) One Thousand Two Hundred Forty Dollars from the Friends of NORD Fund.

10 (14) Three Hundred Thirty Dollars from the Greater New Orleans Sports Foundation
11 Fund.

12 (15) Three Hundred Twelve Dollars from the Higher Education Initiatives Fund.

13 (16) Fifty Thousand Dollars from the Incentive Fund.

14 (17) Ten Million Dollars from the Legislative Capitol Technology Enhancement
15 Fund.

16 (18) One Thousand Four Hundred Fifteen Dollars from the Litter Abatement and
17 Education Account.

18 (19) Three Thousand Seven Hundred Fifty-Two Dollars from the Louisiana
19 Agricultural Finance Authority Fund.

20 (20) One Hundred Eighty-Three Thousand Nine Hundred Forty-Nine Dollars from
21 the Louisiana Filmmakers Grant Fund.

22 (21) Four Thousand One Hundred Thirty-Two Dollars from the Louisiana Highway
23 Safety Fund.

24 (22) Three Million Four Hundred Thousand Dollars out of the Louisiana Mega-
25 Project Development Fund.

26 (23) Seventeen Thousand Six Hundred Thirty-Four Dollars from the Mineral and
27 Energy Operation Fund.

28 (24) One Thousand Two Hundred Ninety-Five Dollars from the New Orleans Urban
29 Tourism and Hospitality Training In Economic Development Foundation Fund.

1 (25) Five Hundred Sixty-Three Thousand Three Hundred Thirty Dollars from the
2 Oil and Gas Regulatory Fund.

3 (26) Two Million Seven Hundred Ninety-Nine Thousand Eight Hundred Fifty-Six
4 Dollars from the Overcollections Fund.

5 (27) One Million Dollars from the Penalty and Interest Account.

6 (28) One Hundred Twenty-Two Thousand Seven Hundred Fourteen Dollars from
7 the Petroleum Products Fund.

8 (29) Four Thousand Twenty-Five Dollars from the Right-to-Know Fund.

9 (30) One Hundred Forty-Five Thousand Six Hundred Sixty Dollars from the Small
10 Business Surety Bonding Fund.

11 (31) Thirteen Dollars from the Teacher Educational Aid For Children Fund.

12 (32) Three Thousand Six Hundred Four Dollars from the Tobacco Control Special
13 Fund.

14 (33) Six Hundred Ninety Thousand Dollars from the Two-Percent Fire Insurance
15 Fund.

16 (34) Twenty-Two Thousand Nine Hundred Twenty Dollars from the Underground
17 Damages Prevention Fund.

18 (35) One Thousand Two Hundred Forty-Five Dollars from the UNO Slidell
19 Technology Park Fund.

20 (36) Twenty-Three Thousand One Hundred Forty-Two Dollars from the Variable
21 Earnings Transaction Fund.

22 (C) After satisfying the requirements of the Bond Security and Redemption Fund
23 as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the requirements
24 of R.S. 46:440.1, the Medical Assistance Programs Fraud Detection Fund, and the
25 requirements of R.S. 49:259, the Department of Justice Legal Support Fund, and after
26 deposit into the state general fund, then the treasurer shall transfer into the state general fund
27 an amount equal to the settlement funds or proceeds recovered by the attorney general on
28 behalf of the state related to any cause of action mentioned or raised in any suit involving
29 Average Wholesale Price (AWP) filed by, or on behalf of, the State of Louisiana against Dey

1 Pharma, a subsidiary of Mylan, Inc.; Schering-Plough or Merck & Co.; Boehringer
2 Ingelheim GmbH; Purdue; Abbot Lab; and/or Actavis Group, including any affiliated,
3 precursor, "formerly known as", and/or successor entities. To the extent that in satisfying
4 the requirements of R.S. 49:259, the Department of Justice Legal Support Fund, any monies
5 from these settlement funds or proceeds are paid into the Department of Justice Legal
6 Support Fund, a like amount shall be transferred from the Department of Justice Legal
7 Support Fund into the state general fund.

8 (D) Notwithstanding any provision of law to the contrary, the state treasurer is
9 hereby authorized and directed to transfer Three Million Eight Hundred Thirty-One
10 Thousand One Hundred Sixty-Eight Dollars of fees and self-generated revenues collected
11 by the Department of Revenue to the state general fund.

12 Section 3.(A) Notwithstanding any provision of law to the contrary, the Ernest N.
13 Morial New Orleans Exhibition Hall Authority or its successor is hereby authorized and
14 directed to deposit into the state treasury the unrestricted or unencumbered fund balances of
15 Twenty Million Dollars. The state treasurer is hereby authorized and directed to transfer the
16 funds to the Louisiana Medical Assistance Trust Fund.

17 (B) After satisfying the requirements of the Bond Security and Redemption Fund
18 as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the state treasurer
19 is hereby authorized and directed to transfer all loan payments received from political
20 subdivisions, except from the city of New Orleans, under Section 7 of Act No. 41 of the
21 2006 First Extraordinary Session of the Legislature, of at least Twenty-Five Million Nine
22 Hundred Seventy-Eight Thousand Eight Hundred Eighty-One Dollars, to the Louisiana
23 Medical Assistance Trust Fund.

24 (C) Notwithstanding any provision of the law to the contrary, the state treasurer is
25 hereby authorized and directed to transfer the following amounts into the Louisiana Medical
26 Assistance Trust Fund from the funds specified below. The treasurer shall make such
27 transfers from each fund after fully funding the appropriation from the fund:

28 (1) Ninety-Six Thousand Seven Hundred Forty-Three Dollars from the
29 Administrative Fund of the Department of Insurance.

1 (2) Three Million Nine Hundred Fifty Thousand Dollars from the Incentive Fund.

2 (3) One Million Nine Thousand Two Hundred Twenty-Six Dollars from the
3 Louisiana Fire Marshal Fund.

4 (4) Twenty-One Thousand Four Hundred Eighty-Five Dollars from the Louisiana
5 Help Our Wildlife Fund.

6 (5) Thirty-Four Thousand Two Hundred Eighty-Eight Dollars from the Motor
7 Carrier Regulation Fund.

8 (6) Two Million Nine Hundred Fifty-Three Thousand Nine Hundred Fifty-Three
9 Dollars from the Office of Motor Vehicles Customer Service and Technology Fund.

10 (7) Four Million Two Hundred Forty-Seven Thousand Seven Hundred Eighty-Eight
11 Dollars from the Riverboat Gaming Enforcement Fund.

12 (8) One Hundred Nineteen Thousand Nine Hundred Dollars from the Telephonic
13 Solicitation Relief Fund.

14 (9) One Million Seven Hundred Twenty-Four Thousand Two Hundred Eighty-Five
15 Dollars from the Traumatic Head and Spinal Cord Injury Trust Fund.

16 (10) One Million Four Hundred Thousand Four Hundred Fifty Dollars from the
17 Utility and Carrier Inspection and Supervision Fund.

18 Section 4. Notwithstanding any provision of law to the contrary, the state treasurer
19 is authorized and directed to transfer Thirty-Five Million Dollars of the proceeds from the
20 sale or lease of New Orleans Adolescent Hospital to the Overcollections Fund. The state
21 treasurer is further authorized and directed to transfer all proceeds exceeding Thirty-Five
22 Million Dollars to the state general fund.

23 Section 5.(A) Notwithstanding any provisions of law to the contrary, the state
24 treasurer is hereby authorized and directed to transfer Program Income of Thirteen Million
25 One Hundred Thousand Dollars from the CDBG Program to the state general fund.

26 (B) Notwithstanding any provisions of law to the contrary, the state treasurer is
27 hereby authorized and directed to transfer Four Million Dollars from the Louisiana Tourism
28 Promotion District Fund to the state general fund.

1 (C) Notwithstanding any provision of law to the contrary, the state treasurer is
2 hereby authorized and directed to transfer FEMA reimbursements of Ten Million Dollars
3 to the state general fund.

4 (D) The state treasurer is hereby authorized and directed to transfer Twenty Million
5 Dollars from the Self-Insurance Fund into the state general fund.

6 (E) Notwithstanding any provision of law to the contrary, the Louisiana Housing
7 Finance Agency or its successor is hereby authorized and directed to deposit into the state
8 treasury the unrestricted or unencumbered fund assets of Eleven Million Dollars. The state
9 treasurer is hereby authorized and directed to transfer the funds to the state general fund.

10 (F) Notwithstanding any provision of law to the contrary, the state treasurer is
11 hereby authorized and directed to transfer Twelve Million Six Hundred Thirty-Seven
12 Thousand Six Hundred Ninety-Eight Dollars from the Coastal Protection and Restoration
13 Fund into the state general fund.

14 Section 6. The state treasurer is hereby authorized and directed to transfer Twelve
15 Million Six Hundred Thirty-Seven Thousand Six Hundred Ninety-Eight Dollars from the
16 State General Fund (Direct) from non-recurring revenue to the Coastal Protection and
17 Restoration Fund to be comprised wholly of cash recognized from prior year end surplus.

18 Section 7. Notwithstanding any provision of law to the contrary, the state treasurer
19 is hereby authorized and directed to transfer Eight Hundred Sixty-Four Thousand One
20 Hundred Seventy-Six Dollars from the Academic Improvement Fund into the State General
21 Fund.

22 Section 8. Notwithstanding any provision of law to the contrary, the state treasurer
23 shall not include unexpended and unencumbered monies in the Rapid Response Fund at the
24 end of the 2011-2012 Fiscal Year in the determination of the unencumbered balance of the
25 fund for purposes of determining the amount to be deposited into the fund at the beginning
26 of the fiscal year pursuant to R.S. 51:2361(A)(2).

27 Section 9. Sections 1, 2, 3, 7, 9, and 10 of this Act shall become effective upon
28 signature of this Act by the governor or, if not signed by the governor, upon expiration of
29 the time for bills to become law without signature by the governor, as provided by Article

1 III, Section 18 of the Constitution of Louisiana. If this Act is vetoed by the governor and
 2 subsequently approved by the legislature, Sections 1, 2, 3, 7, 9, and 10 of this Act shall
 3 become effective on the day following such approval.

4 Section 10. Sections 4, 5, 6, and 8 of this Act shall become effective on July 1, 2012;
 5 if vetoed by the governor and subsequently approved by the legislature, Sections 4, 5, 6, and
 6 8 of this Act shall become effective on July 1, 2012, or on the day following such approval
 7 by the legislature, whichever is later.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Fannin

HB No. 822

Abstract: Provides for the transfer and deposit of monies among state funds.

SECTION 1. MEDICAL ASSISTANCE TRUST FUND (EFFECTIVE GOV'S SIGNATURE)

Present law provides for insurance premium taxes based on gross annual premiums.

Effective upon signature of the governor, proposed law requires insurance premium taxes from health care premium assessments paid by Medicaid-enrolled managed care organizations to be deposited into the La. Medical Assistance Trust Fund (MATF).

SECTION 2. STATE GENERAL FUND (EFFECTIVE GOV'S SIGNATURE)

Effective upon signature of the governor, authorizes and directs the state treasurer to transfer to the Medical Assistance Trust Fund at least \$84,406,697 from all loan payments received from political subdivisions, except from the city of New Orleans, under §7 of Act No. 41 of the 2006 First E.S.

Effective upon signature of the governor, authorizes the state treasurer to transfer the following amounts into the state general fund from the following funds:

Amount	Fund
\$ 240	Algiers Economic Development Foundation Fund
\$ 5,000,000	Artificial Reef Development Fund
\$ 41,366	Automobile Theft and Insurance Fraud Prevention Authority Fund
\$ 1,198	Beautification Project For New Orleans Neighborhoods Fund
\$ 7,689	Bossier Parish Truancy Program Fund
\$ 1,760	Casino Gaming Proceeds Fund
\$ 243,326	Concealed Handgun Permit Fund
\$ 202,373	Department of Justice Debt Collection Fund
\$ 436,812	Department of Justice Legal Support Fund
\$ 58,240	Entertainment Promotion and Marketing Fund
\$ 1,914,131	Environmental Trust Fund
\$ 95,326	FEMA Reimbursement Fund
\$ 1,240	Friends of NORD Fund

\$ 330	Greater New Orleans Sports Foundation Fund
\$ 312	Higher Education Initiatives Fund
\$ 50,000	Incentive Fund
\$10,000,000	Legislative Capitol Technology Enhancement Fund
\$ 1,415	Litter Abatement and Education Account
\$ 3,752	Louisiana Agricultural Finance Authority Fund
\$ 183,949	Louisiana Filmmakers Grant Fund
\$ 4,132	Louisiana Highway Safety Fund
\$ 3,400,000	Louisiana Mega-Project Development Fund
\$ 17,634	Mineral and Energy Operation Fund
\$ 1,295	New Orleans Urban Tourism and Hospitality Training In Economic Development Foundation Fund
\$ 563,330	Oil and Gas Regulatory Fund
\$ 2,799,856	Overcollections Fund
\$ 1,000,000	Penalty and Interest Account
\$ 122,714	Petroleum Products Fund
\$ 4,025	Right-to-Know Fund
\$ 145,660	Small Business Surety Bonding Fund
\$ 13	Teacher Educational Aid For Children Fund
\$ 3,604	Tobacco Control Special Fund
\$ 690,000	Two-Percent Fire Insurance Fund
\$ 22,920	Underground Damages Prevention Fund
\$ 1,245	UNO Slidell Technology Park Fund
\$ 23,142	Variable Earnings Transaction Fund

Effective upon signature of the governor, authorizes and directs the state treasurer to transfer to the state general fund an amount equal to the settlement funds or proceeds recovered by the attorney general on behalf of the state related to any cause of action mentioned or raised in any suit involving Average Wholesale Price (AWP) filed by, or on behalf of, the State of Louisiana against Dey Pharma, a subsidiary of Mylan, Inc.; Schering-Plough or Merck & Co.; Boehringer Ingelheim GmbH; Purdue; Abbott Lab; and/or Actavis Group, including any affiliated, precursor, "formerly known as", and/or successor entities. If monies from these settlement funds or proceeds are paid into the Dept. of Justice Legal Support Fund, a like amount shall be transferred from the fund into the state general fund. Provides deposit into the general fund is after satisfying the requirements of the Bond Security and Redemption Fund, the Medical Assistance Programs Fraud Detection Fund, and the the Dept. of Justice Legal Support Fund.

Effective upon signature, authorizes and directs the state treasurer to transfer \$3,831,168 of fees and self-generated revenues from the Department of Revenue to the state general fund.

SECTION 3. MEDICAL ASSISTANCE TRUST FUND (EFFECTIVE JULY 1, 2012)

Effective July 1, 2012, authorizes and directs the Ernest N. Morial New Orleans Exhibition Hall Authority or its successor to deposit into the state treasury the unrestricted or unencumbered fund balances of \$20,000,000. Authorizes and directs the state treasurer to transfer such funds to the Medical Assistance Trust Fund.

Effective July 1, 2012, authorizes and directs the state treasurer to transfer to the Medical Assistance Trust Fund all loan payments received from political subdivisions, except from the city of New Orleans, under §7 of Act No. 41 of the 2006 First E.S., of at least \$25,978,881.

Effective July 1, 2012, authorizes and directs the state treasurer to transfer the following amounts into the La. Medical Assistance Trust Fund from the following funds:

Amount	Fund
\$ 96,743	Administrative Fund of the Department of Insurance
\$ 3,950,000	Incentive Fund
\$ 1,009,226	Louisiana Fire Marshal Fund
\$ 21,485	Louisiana Help Our Wildlife Fund
\$ 34,288	Motor Carrier Regulation Fund
\$ 2,953,953	Office of Motor Vehicles Customer Service and Technology Fund
\$ 4,247,788	Riverboat Gaming Enforcement Fund
\$ 119,900	Telephonic Solicitation Relief Fund
\$ 1,724,285	Traumatic Head and Spinal Cord Injury Trust Fund
\$ 1,400,450	Utility and Carrier Inspection and Supervision Fund

SECTION 4. OVERCOLLECTIONS FUND (EFFECTIVE JULY 1, 2012)

Effective July 1, 2012, authorizes and directs the state treasurer to transfer \$35,000,000 of all proceeds from the sale of New Orleans Adolescent Hospital to the Overcollections Fund and the remainder to the state general fund.

SECTION 5. STATE GENERAL FUND (EFFECTIVE JULY 1, 2012)

Effective July 1, 2012, authorizes and directs the state treasurer to transfer \$13,100,000 of Program Income from the CDBG Program to the state general fund.

Effective July 1, 2012, authorizes and directs the state treasurer to transfer \$4 million from the Louisiana Tourism Promotion District Fund to the state general fund.

Effective July 1, 2012, authorizes and directs the state treasurer to transfer FEMA reimbursements of \$10,000,000 to the state general fund.

Effective July 1, 2012, authorizes and directs the state treasurer to transfer \$20,000,000 from the Self-Insurance Fund to the state general fund.

Effective July 1, 2012, directs the LA Housing Finance Agency to transfer \$11,000,000 of unrestricted and unencumbered assets into the state general fund.

Effective July 1, 2012, authorizes and directs the state treasurer to transfer \$12,637,698 from the Coastal Protection and Restoration Fund to the state general fund.

SECTION 6. STATE GENERAL FUND (EFFECTIVE JULY 1, 2012)

Effective July 1, 2012, authorizes and directs the state treasurer to transfer \$12,637,698 from state general fund from nonrecurring revenue to the Coastal Protection and Restoration Fund.

SECTION 7. STATE GENERAL FUND (EFFECTIVE GOV'S SIGNATURE)

Effective upon signature of the governor, authorizes and directs the state treasurer to transfer \$864,176 from the Academic Improvement Fund into the state general fund.

SECTION 8. RAPID RESPONSE FUND (EFFECTIVE JULY 1, 2012)

Effective July 1, 2012, provides that the state treasurer shall not include unexpended and unencumbered monies in the Rapid Response Fund at the end of FY 2010-2011 in the determination of the unencumbered balance of the fund for purposes of determining the amount to be deposited into the fund at the beginning of the fiscal year pursuant to R.S. 51:2361(A)(2).

(Amends R.S. 22:842)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Added and deleted funds to be transferred into other funds.
2. Changed the amounts to be deposited of certain funds.
3. Changed the funds to which certain funds would be transferred.
4. Modified sources of deposits into specified funds.