HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 452 by Representative Fannin

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

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Synopsis of Senate Amendments

1. Deleted the transfer of $431,194 out of the Video Draw Poker Device Purse Supplement Fund, $7,963 from the Bossier Parish Truancy Fund, and $49,838 from the Calcasieu Parish Fund into the Overcollections Fund.

2. Decreased the estimate of revenue from Fees and Self-generated revenues from the Dept of Revenue by $16 million.

3. Added transfers out of the Community Water Enrichment Fund, the Louisiana Fire Marshal Fund, the 2% Fire Insurance Fund, and monies related to the assignment, transfer, sale, or lease of properties to the Dept. of Wildlife and Fisheries to the Overcollections Fund.

4. Transferred out of the Overcollections Fund to Prepaid Wireless 911 Service Fees and Self-Generated Revenues from prior year collections.

5. Added transfer of $1,101,881 from the Underwater Obstruction Removal Fund to the Oil and Gas Regulatory Fund.

6. Added transfer of $208,800,000 from certain funds into the state general fund.

7. Added provisions of law regarding the executive director of the Louisiana Housing Corporation.

8. Created the Payments Toward the UAL Fund. Repeals the Incentive Fund provides that certain monies previously deposited into the Incentive Fund be included in the deposits into the new fund.

9. Added provisions changing the allocation of funds in the Shreveport Riverfront and Convention Center and Independence Stadium Fund.

10. Added provisions relative to the uses of the Louisiana State Parks Improvement and Repair Fund.

11. Repealed the Budget Stabilization Replenishment Fund and created the FMAP Stabilization Fund.

Digest of Bill as Finally Passed by Senate

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

OVERCOLLECTIONS FUND

Effective upon signature of governor, authorizes the following to be deposited into the Overcollections Fund:

(1) All receipts of lease payments for the lease of state hospital buildings.

(2)   An amount equal to the net settlement, judgment 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 against pharmaceutical companies, less any amount paid to the Medical Assistance Programs Fraud Detection Fund.

(3)   Proceeds relating to the assignment, transfer, sale, or lease of the following:

      (a)   Pointe Clair Farms (at least $12 million).
      (b)   Baton Rouge State Office Building (at least $10,250,000)
      (c)   Southeast La. Hospital property (at least $17,840,000)
      (d)   Wooddale Towers (at least $350,000)
      (e)   Hart Parking Garage
      (f)   Greenwell Springs Hospital property
      (g)   Pines Campus property
      (h)   Southern Oaks Addiction Recovery property
      (i)   Bayou Region property
      (j)   MDC Apartment property

(4)   Over $3,000,000 identified by the Dept. of Revenue as increased net state tax receipts realized from the implementation of additional fraud initiatives.

(5)   At least $2,000,000 relating to the assignment, transfer, sale, or lease of properties to the Dept. of Wildlife and Fisheries.

(6) $999,474 from the La. Fire Marshal Fund.

(7) $1,658,715 from the 2% Fire Insurance Fund.

Effective July 1, 2013, authorizes the state treasurer to transfer the following amounts into the Overcollections Fund from the following:

Amount	Source
$13,132,881	Department of Revenue from fees and self-generated revenues
$28,284,500	GO Zone Bond Payments. All loan payments received from political subdivisions of at least the amount specified
$10,000,000	Excess collections from Fees & Self-Generated Revenues and Interagency Transfers of at least the amount specified
$ 2,000,000	Louisiana Housing Finance Agency or its successor from unrestricted or unencumbered fund assets
$16,000,000	From the Self-Insurance Fund
$ 5,000,000	Louisiana Property Assistance Agency or its successor from the unrestricted or unencumbered fund balance

Effective July 1, 2013, authorizes the state treasurer to transfer the following amounts into the Overcollections Fund from the following, after funding appropriations out of such funds:

Amount	Fund
$ 48,298	Beautification and Improvement of the New Orleans City Park Fund
$ 57,071	Compulsive and Problem Gaming Fund
$ 585,598	Department of Justice Legal Support Fund
$ 4,000,000	Incentive Fund
$ 988,632	Louisiana Fire Marshal Fund
$ 1,000,000	Marketing Fund
$11,300,000	Louisiana Mega-Project Development Fund
$ 25,019	New Orleans Urban Tourism and Hospitality Training in Economic Development Foundation Fund
$ 1,541,404	Penalty and Interest Account

$ 8,605,392   Riverboat Gaming Enforcement Fund
$ 700,000   2% Fire Insurance Fund

Effective July 1, 2013, transfers $1,094,633 out of the Overcollections Fund into Prepaid Wireless 911 Service Fees and SGR from prior year collections.

RAPID RESPONSE FUND

Effective July 1, 2013, provides that the state treasurer shall not include unexpended and unencumbered monies in the Rapid Response Fund at the end of FY 2012-2013 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).

STATE GENERAL FUND (EFFECTIVE JULY 1, 2013)

Effective July 1, 2013, transfers the following into the State General Fund:

Amount	Fund
$ 113,000,000	Coastal Protection and Restoration Fund
$ 77,000,000	Louisiana Mega-Project Development Fund
$ 10,000,000	Rapid Response Fund
$ 5,800,000	Riverboat Gaming Enforcement Fund
$ 3,000,000	Overcollections Fund

OTHER FUND TRANSFERS (EFFECTIVE JULY 1, 2013)

Effective July 1, 2013, transfers $1,101,881 from the Underwater Obstruction Removal Fund to the Oil and Gas Regulatory Fund.

INCENTIVE FUND/PAYMENTS TOWARD THE UAL FUND (EFFECTIVE ON GOVERNOR'S SIGNATURE)

Present law (R.S. 39:87.5(B)) establishes the Incentive Fund as a special treasury fund. Provides that all cash balances from unexpended and unencumbered state general fund appropriations which are subject to remission shall be deposited into the fund until the fund balance reaches a total of $4,000,000 and shall recommence when the balance reaches $4,200,000.

Present law (R.S. 39:82(A) provides that all cash balances occurring from appropriations made for which no bona fide liability exists on the last day of each fiscal year shall be remitted to the state treasurer by the 15th day following the last day of the fiscal year. Provides that the treasurer shall make deposits into the Incentive Fund as necessary and then to the state general fund.

Present law (R.S. 39:352) provides for the cancellation of unexpended appropriations at the end of the fiscal year and placing the monies into the Incentive Fund and then to the state general fund.

Proposed law repeals present law (R.S. 39:87.5(B)) and deletes references to deposits into the Incentive Fund.

Proposed law establishes the Payments Toward the UAL Fund (the fund) as a special treasury fund. Provides that the source of monies shall be all cash balances from unexpended and unencumbered state general fund appropriations which are subject to remission under present law (R.S. 39:82(A) and 352). Unexpended monies shall remain in the fund at the end of the fiscal year and interest earned on monies in the fund shall be credited to the fund. Monies in the fund shall be appropriated exclusively to the La. State Employees' Retirement System (LASERS) and the Teachers' Retirement System of Louisiana (TRSL) to defray the increased

cost of payments by postsecondary institutions toward the unfunded accrued liability (UAL) from FY 2012-2013 to FY 2013-2014. If appropriations do not fully fund the increased costs, the amount shall be applied to the UAL on behalf of each institution proportional to the number of full-time equivalent employees participating in the retirement systems. Any excess shall be applied towards the balance of the UAL of such systems existing as of June 30, 1988, in proportion to the balance of such UAL of each system. Payments shall not be used to fund cost-of-living increases for such systems.

LOUISIANA HOUSING CORPORATION (EFFECTIVE ON GOVERNOR'S SIGNATURE)

Present law (R.S. 40:600.90)(A)(1) and (2)(c)) provide for the appointment of the executive director of the Louisiana Housing Corporation (the corporation). Provides that the board of directors of the corporation shall appoint an executive director subject to Senate confirmation. Provides that the executive director shall serve at the pleasure of the board of directors.

Proposed law provides that the executive director shall be appointed for a term subject to Senate confirmation for a term not to exceed three years. Provides that the executive director shall only be terminated for cause.

SHREVEPORT RIVERFRONT AND CONVENTION CENTER AND INDEPENDENCE STADIUM FUND (EFFECTIVE 07/01/2013)

Present law provides for the deposit of certain state sales taxes on hotel rooms collected in the city of Shreveport into the Shreveport Riverfront and Convention Center and Independence Stadium Fund.

Proposed law retains present law. Provides for the allocation of a portion of monies into the fund, subject to appropriation by the legislature to the following:

(1) $5,000 for the Redbud Festival in Vivian.
(2) $5,000 for the Sunflower Festival in Gilliam.
(3) $5,000 for the Poke Salad Festival in Shreveport.
(4) $$5,000 for the Oil City Gusher Days in Oil City.

Further provides for an allocation for FY 2013-2014 of $75,000 to the Secretary of State for the restoration of the Shreveport Water Works Museum.

Further increases the allocation to Rho Omega and Friends, Inc. from $10,000 to $15,000 and changes the name of purpose from "the Good Time Rho Festival" to the "Let the Good Times Roll Festival".

LOUISIANA STATE PARKS IMPROVEMENT AND REPAIR FUND (EFFECTIVE ON GOVERNOR'S SIGNATURE)

Present law (R.S. 56:1703) provides that 50% of the money in the Louisiana State Parks Improvement and Repair Fund be allocated among the state parks according to the following priority basis:

(1)   For protection of life or property on existing park areas.

(2)   General repairs and improvements to existing facilities on existing park areas.

(3)   Addition of new facilities on existing park areas.

(4)   Acquisition of property to expand existing park areas

BUDGET STABILIZATION REPLENISHMENT FUND/FMAP STABILIZATION

FUND (EFFECTIVE ON GOVERNOR'S SIGNATURE)

<u>Present law</u> (Section 4. of Act 597 of the 2012 Regular Session) establishes the Budget Stabilization Replenishment Fund (the fund) in the state treasury. Requires that treasurer shall deposit into the fund the difference between the official forecast of revenue available for expenditures for FY 2011-2012 adopted by the Revenue Estimating Conference (REC) on April 24, 2012, and actual collections of revenue available for expenditures in FY 2011-2012 promulgated by the REC, not to exceed $204,700,000. Monies in the fund shall be transferred by the treasurer to the Budget Stabilization Fund in the state treasury.

<u>Proposed law</u> repeals <u>present law</u>.

<u>Proposed law</u> establishes the FMAP Stabilization Fund (the fund) as a special treasury fund. Requires the treasurer to deposit into the fund the difference between the official revenue forecast adopted by the REC on April 24, 2012, and actual collected revenue for expenditure in FY 2011-2012 to be promulgated by the Joint Legislative Committee on the Budget, not to exceed $113,220,807. Provides that monies in the fund shall be used or expended as further provided by law.

(Amends R.S. 39:82(A), 87.5(e)(2), and 352; R.S. 40:600.90(A)(1)(a) and (2)(c); R.S. 47:302.2(B) and 332.6(B); and R.S. 56:1703(C)(2)(c) and (d); adds R.S. 39:100.11, R.S. 47:302.2(C)(1)(g) and (E), and 56:1703(C)(2)(e); repeals R.S. 39:87.5(B) and Section 4 of Act 597 of the 2012 R.S.)