

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 579** HLS 25RS 889

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 5, 2025	7:46 PM	<b>Author:</b> EMERSON
<b>Dept./Agy.:</b> Treasury		<b>Analyst:</b> Deborah Vivien
<b>Subject:</b> TRSL fund transfer		

FUNDS/FUNDING OR INCREASE GF RV See Note Page 1 of 1  
Provides for the transfer, deposit, and use of monies among state funds

Current law allocates the proceeds of the Master Settlement Agreement (MSA) to the Millennium Trust (75%) and Louisiana Fund (25%). All of the Millennium Trust MSA payment is deposited to the TOPS Fund. Investment earnings on the Millennium Trust, after retaining an inflation factor, are split equally between the TOPS Fund, Health Excellence Fund, and Education Excellence Fund. Current law creates the LA Education Quality Trust Fund (LEQTF) Permanent and Support Fund that receive 8g offshore revenue and earnings. The Support Fund is annually appropriated to BESE and Board of Regents. Proposed law maintains current law unless the constitutional amendment in HB 473 of 25RS is approved by voters on 11/3/26. Regardless of status of HB 473, currently allowable appropriation of funds remains through FY 27. However, on 7/1/27 (FY28) the LEQTF Permanent and Support Funds as well as the Education Excellence Fund are repealed if HB 473 is ratified. HB 473 directs these funds to TRSL for payment of the UAL debt. Proposed law authorizes certain investments of the trust funds, including the Unclaimed Property Trust Fund.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>				<b>\$0</b>

**EXPENDITURE EXPLANATION**

The bill is the statutory companion to HB 473 of 25RS that dissolves the Louisiana Education Quality Trust Fund (Permanent Fund), the Louisiana Quality Education Support Fund (Support Fund), and the Education Excellence Fund (EEF). The beginning FY 25 balances in the three funds totaled nearly \$2 B (Permanent Fund - \$1.45 B; Support Fund - \$36.2 M; and EEF - \$482 M).

The bill appears to retain spending provisions through FY 27 until the funds are repealed in FY 28.

**REVENUE EXPLANATION**

Proposed legislation provides the statutory companion to HB 473 of 25RS that dissolves the Louisiana Education Quality Trust Fund (Permanent Fund), the Louisiana Quality Education Support Fund (Support Fund), and the Education Excellence Fund (EEF). The beginning FY 25 balances in the three funds totaled nearly \$2 B (Permanent Fund - \$1.45 B; Support Fund - \$36.2 M; and EEF - \$482 M). Recurring funds from 8g offshore mineral revenue appear to flow to the SGF in FY 28 and beyond (a few million per year in recent years).

The bill appears to retain revenue provisions through FY 27 until the funds are repealed in FY 28. However, HB 473 transfers the balance of the funds by April 1, 2027. The actual balance transfer will depend on the market at the time of divestment.

According to Treasury, allowable trust fund investment provisions in the bill may affect revenue from earnings.

Senate  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*  
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**Legislative Fiscal Officer**