

**HOUSE SUMMARY OF SENATE AMENDMENTS****HB 409****2016 Regular Session****Henry**

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

**Synopsis of Senate Amendments**

1. Requires the Health Care Services Division to transfer to the Dept. of Health and Hospitals, or its successor, all revenues received from the public private partnership hospitals for the provision of accountable care services.
2. Requires that all economic damages settlements from the Deepwater Horizon litigation received by the state be reported to the Joint Legislative Committee on the Budget.
3. Specifies that the deposit of economic damages settlement from the Deepwater Horizon litigation to the Fiscal Year 2015-2016 Deficit Elimination Fund is prior to any other allocation, including the payment of legal fees.
4. Adds provisions related to the Dept. of Justice Legal Support Fund, including the prohibition of depositing Deepwater Horizon litigation proceeds and requiring the attorney general to notify the Joint Legislative Committee on the Budget and the commissioner of administration of any deposits into the fund.
5. Provides for the deposit of monies receive from Deepwater Horizon litigation into the Oil Spill Contingency Fund, the Natural Resources Restoration Trust Fund, the Fiscal Year 2015-2016 Deficit Elimination Fund, and the Deepwater Horizon Economic Damages Collection Fund. Requires the attorney general to remit \$7,000,000 out of the Consumer Support Escrow Account from the BP settlement to the treasurer.
6. Requires the attorney general to remit \$7,028,196 from the Attorney General's Consumer Support Escrow Account to the state treasurer for deposit into the state general fund.
7. Changes allocations of the Shreveport Riverfront and Convention Center and Independence Stadium Fund.
8. Directs the treasurer to transfer the excess High Risk Pool Funds to the Mega-Project Development Fund upon termination of the Health Plan Board by March 1, 2016 as provided by law.
9. Requires that when the Dept. of Revenue prevails in the suit regarding HCR No. 8, the suspension of the sales tax exemption for business utilities, monies paid under protest and held in escrow shall be transferred to the state general fund.

**Digest of Bill as Finally Passed by Senate****HOSPITAL LEASE PAYMENTS**

Proposed law directs the LSU Health Science Center - Health Care Services Division and the LSU Health Sciences Centers - New Orleans and Shreveport to deposit into the state general fund all public/private partnership hospital and hospital equipment lease payments net of clinic and hospital lease payments made by the division.

Proposed law requires the health care services division to transfer to the Department of Health and Hospitals, or its successor, all revenues receive from the public private partnership hospitals for the provision of accountable care services.

#### DEEPWATER HORIZON ECONOMIC DAMAGES COLLECTION FUND

Present law provides for the deposit of monies into the Deepwater Horizon Economic Damages Collection Fund and requires proceeds from the settlements, judgment, or final disposition of the state's economic damages claims against BP due to the Deepwater Horizon oil spill. Present law further provides that the first \$200 million of the proceeds of the economic damages claims be deposited into the Fiscal Year 2015-2016 Deficit Elimination Fund.

Proposed law retains present law and specifies that payments of attorney fees and deposits into the Dept. of Justice Legal Support Fund shall not occur prior to the deposits into the Fiscal Year 2015-2016 Deficit Elimination Fund. Further requires that all settlement proceeds received by the state shall be reported to the Joint Legislative Committee on the Budget (JLCB).

#### DEPARTMENT OF JUSTICE LEGAL SUPPORT FUND

Present law establishes the Dept. of Justice Legal Support Fund as a special treasury fund. Provides that the source of monies in the fund are proceeds from sources designated by the attorney general for deposit into the fund. Proposed law provides that the source are revenues received rather than designated by the attorney general.

Proposed law specifies that proceeds from the Deepwater Horizon litigation shall not be deposited into the fund. Specifies that no proceeds from the payment of attorney fees from the court order regarding the Deepwater Horizon litigation until funding is approved by the Joint Legislative Committee on the Budget.

Present law provides that the treasurer shall transfer from designated sources an amount to bring the balance of the fund \$10,000,000 each year. Further specifies that the unencumbered fund balance shall not exceed \$10,000,000. Proposed law retains present law and specifies that the \$10,000,000 deposited into the fund each year shall be net of the balance at the beginning of the fiscal year. Further specifies that annual deposits shall not exceed \$10,000,000.

Proposed law requires the attorney general to notify the state treasurer, the Joint Legislative Committee on the Budget, and the commissioner of administration of any proceeds received for deposit into the fund.

Present law specifies that monies from the fund shall be used to supplement the Dept. of Justice budget and shall not supplant appropriations from the state general fund for Dept. of Justice operations below the current year appropriation. Proposed law removes present law.

#### DEPOSITS OF DEEPWATER HORIZON PROCEEDS

Proposed law provides for the deposit of monies received on behalf of the state as a result of the settlement, judgment, or final disposition of the state's claims asserted in State of Louisiana v. BP Exploration & Production, et al. (E.D.La.), consolidated with In Re: Oil Spill by the Oil Rig "Deepwater Horizon" in the Gulf of Mexico, on April 20, 2010, MDL 2179 (E.D. La.).

Requires the first \$20,000,000 paid pursuant to the Court Order [Regarding Payment of the Gulf States' Attorneys' Fees and Costs (Rec. Doc. 15441] issued on October 5, 2015, to be transferred to the Oil Spill Contingency Fund.

Requires the treasurer to deposit the first \$19,125,000 installment of the Natural Resource

Damage assessment ("NRDA") costs paid in accordance with the Consent Decree of the Natural Resources Restoration Trust Fund. Requires the second installment of \$19,125,000 for NRDA costs and all future NRDA payments made pursuant to the Consent Decree to also be transferred to the Natural Resources Restoration Trust Fund, in accordance with present law, R.S. 30:2480.2.

Requires the BP Entities With Respect to Economic and Other Claims Arising From the Deepwater Horizon Incident ("Economic Damages Settlement Agreement") to transfer the treasurer \$200,000,000 in accordance with R.S. 39:91. All future payments of economic damages, as set forth in the Economic Damages Settlement Agreement, shall also be transferred in accordance with R.S. 39:91.

#### ATTORNEY GENERAL'S CONSUMER ESCROW ACCOUNT

Proposed law directs the attorney general to remit to the state treasurer \$7,000,000 from the Attorney General's Consumer Support Escrow Account which was transferred to the account on May 17, 2016.

Directs the attorney general to remit to the state treasurer \$7,028,196 from the Attorney General's Consumer Support Escrow Account. Directs the treasurer to transfer the \$7,028,196 to the state general fund.

#### SHREVEPORT RIVERFRONT AND CONVENTION CENTER AND INDEPENDENCE STADIUM FUND

Present law provides for the deposit of certain state sales tax collections on hotel rooms in Shreveport be deposited into the Shreveport Riverfront and Convention Center and Independence Stadium Fund.

Present law allocates a portion of the deposits to the African American Multi-Cultural Tourism Commission. Proposed law deletes the allocation for the commission and provides that the allocation be divided equally between Pamoja Arts Society and Rho Omega and Friends, Inc.

#### SEX OFFENDER REGISTRY TECHNOLOGY FUND

Present law requires the annual remaining balance in the Sex Offender Registry Technology Fund as of June 15 be distributed to the recipient sheriffs who are actively registering offenders.

Proposed law changes the date from June 15 to 30 days after the Revenue Estimating Conference (REC) recognizes the prior year-end balance.

#### PRIOR YEAR FUND TRANSFERS

Proposed law nullifies any fund transfers that have not occurred by July 1, 2016 contained in the "fund transfer" bills of the 2011 through 2015 Regular Sessions and any fund transfers approved by the Joint Legislative Committee on the Budget as part of a mid-year deficit reduction.

Proposed law directs the treasurer to transfer the excess High Risk Pool Funds to the Mega-Project Development Fund upon cessation of the Health Plan Board by March 1, 2016, as provided by law.

#### REVENUE DEPARTMENT ESCROW FUNDS

Proposed law requires that when the Revenue Department prevails in the lawsuit associated with HCR No. 8 of the 2015 Regular Session, which suspends a portion of the sales tax exemption on business utilities, the monies paid under protest and held in escrow shall be

transferred to the state general fund.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 39:91(A), R.S. 47:302.2(C)(1)(b), R.S. 49:259 and C.Cr.P. Art. 895.1(F)(3)(e); Adds R.S. 17:1519.6(E))