

2020 Second Extraordinary Session

SENATE BILL NO. 38

BY SENATOR WHITE

FUNDS/FUNDING. Provides relative to the creation, use, dedication, and transfer of funds in the state treasury. (gov sig) (Item #16)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17

AN ACT

To enact Subpart N of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:100.51, relative to special funds; to create the Fiscal Year 2021 Balanced Budget Reserve Fund in the state treasury; to provide relative to the transfer, dedication, deposit, and use, as specified, of the Fiscal Year 2021 Balanced Budget Reserve Fund; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Subpart N of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, consisting of R.S. 39:100.51, is hereby enacted to read as follows:

**§100.22. 2020 Overcollections Fund**

**A. The 2020 Overcollections Fund, hereinafter referred to as "the fund", is hereby created in the state treasury. After complying with the provisions of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, the treasurer is directed to deposit in and credit to the fund the difference between the official forecast of recurring**

1 revenue available for general purpose expenditures of Fiscal Year 2019-2020  
2 adopted by the Revenue Estimating Conference on May 11, 2020, and actual  
3 collections of revenue available for general purpose expenditures in Fiscal Year  
4 2019-2020 and prior to being reported as a balance to the Joint Legislative  
5 Committee on the Budget in the prior year and being recognized by the  
6 Revenue Estimating Conference.

7 B. Monies in the fund shall be invested in the same manner as monies in  
8 the state general fund. Interest earned on the investment of monies in the fund  
9 shall be deposited in and credited to the fund. Except as otherwise provided in  
10 this Section, unexpended and unencumbered monies in the fund at the end of  
11 a fiscal year shall remain in the fund.

12 SUBPART N. FISCAL YEAR 2021 BALANCED BUDGET RESERVE FUND

13 §100.51. Fiscal Year 2021 Balanced Budget Reserve Fund

14 A. There is hereby established in the state treasury, as a special fund, the  
15 Fiscal Year 2021 Balanced Budget Reserve Fund, hereinafter referred to as the  
16 "fund".

17 B. Any money transferred, donated, or appropriated to the fund by the  
18 legislature shall be deposited in the fund.

19 C. All unexpended and unencumbered monies in the fund at the end of  
20 the fiscal year shall remain in the fund. The monies in the fund shall be invested  
21 by the state treasurer in the same manner as monies in the state general fund,  
22 and interest earned on the investment of monies shall be credited to the fund.

23 Section 2. This Act shall become effective upon signature by the governor or, if not  
24 signed by the governor, upon expiration of the time for bills to become law without signature  
25 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
26 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
27 effective on the day following such approval.

---

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

---

## DIGEST

SB 38 Engrossed

2020 Second Extraordinary Session

White

Proposed law creates the Fiscal Year 2021 Balanced Budget Reserve Fund (Reserve Fund) as a special fund in the state treasury. Any money transferred, donated, or appropriated to the Reserve Fund by the legislature shall be deposited in the Reserve Fund.

Proposed law provides that the monies in the Reserve Fund shall remain in the Reserve Fund at the end of the fiscal year and interest earned on the investment of monies in the Reserve Fund shall be credited to the Reserve Fund.

Proposed law creates the 2020 Overcollections Fund in the state treasury. Directs the treasurer after complying with the provisions of the La. Const. relative to the Bond Security and Redemption Fund, to deposit in and credit to the 2020 Overcollections Fund the difference between the official forecast of recurring revenue available for general purpose expenditures of FY 2019-2020 adopted by the REC on May 11, 2020, and actual collections of revenue available for general purpose expenditures in FY 2019-2020 and prior to being reported as a balance to the JLCB in the prior year and being recognized by the REC.

Proposed law provides that the monies in the 2020 Overcollections Fund shall remain in the 2020 Overcollections Fund at the end of the fiscal year and interest earned on the investment of monies in the 2020 Overcollections Fund shall be credited to the 2020 Overcollections Fund.

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

(Adds R.S. 39:100.22 and 100.51)

Summary of Amendments Adopted by SenateCommittee Amendments Proposed by Senate Committee on Finance to the original bill.

1. Creates the 2020 Overcollections Fund in the state treasury.
2. Provides for the deposit into the 2020 Overcollections Fund of the difference between the official forecast of recurring revenues available for general purpose expenditures for FY 2019-2020 adopted by the REC on 5/11/20, and actual collections of revenue available for general purpose expenditures in FY 2019-2020 and prior to be reported as a balance to JLCB in the prior year and being recognized by the REC.
3. Provides for the investment of monies in the 2020 Overcollections Fund and that unexpended and unencumbered monies in the 2020 Overcollections Fund shall remain in the 2020 Overcollections Fund at the end of the fiscal year.