

2023 Regular Session

HOUSE BILL NO. 261

BY REPRESENTATIVE BISHOP

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING: Provides relative to the Revenue Stabilization Trust Fund

1 AN ACT

2 To amend and reenact R.S. 39:100.112(E)(1) and (F) and to enact R.S. 39:100.112(G),
3 relative to the Revenue Stabilization Trust Fund; to provide for the use of monies in
4 the fund; to provide for use of monies in the fund in instances of a deficit; to provide
5 mechanisms to change restrictions within the fund by law; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 39:100.112(E)(1) and (F) are hereby amended and reenacted and R.S.
9 39:100.112(G) is hereby enacted to read as follows:

10 §100.112. Revenue Stabilization Trust Fund

11 * * *

12 E.(1) Except as provided for in Subsection F (G) of this Section, monies
13 deposited into the Revenue Stabilization Trust Fund shall be permanently credited
14 to the trust fund and shall be invested by the treasurer in the same manner as
15 investments of the Millennium Trust, as provided in R.S. 39:98.2.

16 * * *

17 F.~~(1)~~ Except as provided in ~~Paragraphs (2) and (3)~~ Subsection (G) of this
18 ~~Subsection~~ Section, no appropriations shall be made from the Revenue Stabilization
19 Trust Fund.

1 ~~(2)(a)~~ (G)(1) In any fiscal year in which the balance of the fund at the
2 beginning of the year is in excess of five billion dollars, hereinafter referred to as the
3 minimum fund balance, the legislature may appropriate an amount not to exceed ten
4 percent, in the aggregate, of the fund balance, hereinafter referred to as the allowable
5 percentage, ~~for the following:~~ for capital outlay projects in the comprehensive state
6 capital budget, transportation infrastructure, or both.

7 ~~(i)~~ Capital outlay projects in the comprehensive state capital budget.

8 ~~(ii)~~ Transportation infrastructure.

9 ~~(b)~~ The minimum fund balance, or the allowable percentage, or both may
10 be changed by a law enacted by two-thirds of the elected members of each house of
11 the legislature.

12 ~~(3)~~ In order to ensure the money in the fund is available for appropriation in
13 an emergency, the legislature may authorize an appropriation from the fund at any
14 time for any purpose pursuant to a concurrent resolution adopted by a favorable vote
15 of two-thirds of the elected members of each house of the legislature. If the
16 legislature is not in session, the two-thirds consent requirement shall be obtained as
17 provided in R.S. 39:87.

18 ~~(2)(a)~~ If after the incorporation of monies from the Budget Stabilization Fund
19 into the official forecast for the next fiscal year, the official forecast of recurring
20 money for the next fiscal year is less than the official forecast of recurring money for
21 the current fiscal year, the difference, not to exceed two hundred fifty million dollars,
22 may be incorporated into the next fiscal year's official forecast.

23 ~~(b)~~ If after the appropriation of monies from the Budget Stabilization Fund
24 into the official forecast for the current fiscal year, a deficit for the current fiscal year
25 is projected due to a decrease in the official forecast, an amount not to exceed two
26 hundred fifty million dollars may be appropriated.

27 ~~(c)~~ Monies incorporated into the official forecast pursuant to Subparagraph
28 (a) of this Paragraph or appropriated pursuant to Subparagraph (b) of this Paragraph
29 shall require a concurrent resolution adopted by a favorable vote of two-thirds of the

1 elected members of each house of the legislature. If the legislature is not in session,
2 the two-thirds consent requirement shall be obtained as provided in R.S. 39:87.

3 Section 2. This Act shall take effect and become operative if and when the proposed
4 amendment of Article VII of the Constitution of Louisiana contained in the Act which
5 originated as House Bill No. ____ of this 2023 Regular Session of the Legislature is adopted
6 at a statewide election and becomes effective.

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)]

HB 261 Original

2023 Regular Session

Bishop

Abstract: Provides for uses of monies in the Revenue Stabilization Trust Fund.

Present law establishes the Revenue Stabilization Trust Fund and provides for deposits and uses of monies in the fund.

Present law authorizes use of monies in the fund if the balance of the fund at the beginning of the year is in excess of \$5 billion. Proposed law retains present law.

Present law further restricts appropriations from the fund in such circumstances to a maximum of 10% of the fund balance. Proposed law restricts appropriations from the fund in such circumstances to a maximum aggregate of 10% of the fund balance.

Present law authorizes use of monies in the fund in such circumstances for capital outlay projects and transportation infrastructure. Proposed law authorizes use of monies in the fund for capital outlay projects, transportation infrastructure, or both.

Present law authorizes the legislature to appropriate from the fund in case of emergency regardless of the fund balance and without a maximum cap on withdrawals. Proposed law removes the ability of the legislature to spend in an emergency without a maximum cap on withdrawals. Further restricts use of fund monies regardless of the fund balance to offsetting a deficit in the current or ensuing fiscal year if sufficient revenue to solve the deficit cannot be withdrawn from the Budget Stabilization Trust Fund. Additionally, requires the consent of 2/3 of the legislature for such appropriation and institutes a maximum withdrawal of \$250 million for each such deficit.

(Amends R.S. 39:100.112(E)(1) and (F); Adds R.S. 39:100.112(G))