

2023 Regular Session

HOUSE BILL NO. 550

BY REPRESENTATIVE ZERINGUE

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

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

1 AN ACT

2 To amend and reenact R.S. 39:100.171, relative to certain treasury funds; to provide for the
3 transfer, deposit, and use, as specified, of monies in certain treasury funds and
4 accounts; to provide an effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. Notwithstanding any provision of law to the contrary, the state treasurer
7 is hereby authorized and directed to transfer \$181,630,129 to be comprised wholly of
8 nonrecurring revenues out of the State General Fund from the Fiscal Year 2021-2022
9 surplus, as recognized by the Revenue Estimating Conference, to the Budget Stabilization
10 Fund.

11 Section 2. R.S. 39:100.171 is hereby enacted to read as follows:

12 §100.171. Hurricane Ida Recovery Fund

13 A. There is hereby created in the state treasury as a special fund the
14 Hurricane Ida Recovery Fund, hereinafter referred to in this Section as the "fund".
15 ~~Monies in the fund shall be used to make full or partial payments to political~~
16 ~~subdivisions, including school boards, that suffered property loss or damage caused~~
17 ~~by Hurricane Ida and were not fully compensated for such property loss or damage~~
18 ~~by insurance and other federal and state disaster resources. Any payment to a~~
19 ~~political subdivision made from the fund pursuant to the provisions of this Section~~
20 ~~shall be applied by the governing authority of the political subdivision to the cost of~~
21 ~~repair or replacement of the damaged property.~~ B. Monies appropriated or

1 transferred to the fund shall be deposited by the state treasurer after compliance with
2 the requirements of Article VII, Section 9(B) of the Constitution of Louisiana
3 relative to the Bond Security and Redemption Fund. Monies in the fund shall be
4 invested in the same manner as monies in the state general fund and unexpended and
5 unencumbered monies in the fund and the end of the fiscal year shall remain in the
6 fund. Interest earned on the investment of monies in the fund shall be deposited in
7 and credited to the fund. Subject to appropriation, the Department of the Treasury
8 shall administer distribution of monies from the fund.

9 ~~C. B.~~ Up to three percent of monies initially deposited into the fund may be
10 retained by the treasurer for administrative expenses. Subject to final approval of the
11 Joint Legislative Committee on the Budget prior to implementation, the treasurer is
12 hereby authorized and directed to develop policies and procedures for the
13 distribution and administration of monies in the fund. Notwithstanding any
14 provision of law to the contrary, the treasurer may enter into consulting services,
15 professional services, and information and technology services contracts for the
16 purpose of the procurement of any goods or services necessary to implement and
17 expedite the distribution of monies in the fund as emergency procurements exempt
18 from the provisions of the Louisiana Procurement Code and corresponding rules and
19 regulations. The cost of such contracts shall be an administrative expense of the
20 recovery program.

21 C. Monies in the fund shall be used to make full or partial payments to
22 eligible entities that suffered property loss or damage caused by Hurricane Ida. For
23 the purposes of this Section, the term "eligible entity" shall mean a political
24 subdivision of the state and shall include school boards. Except as otherwise
25 provided in this Subsection, the governing authority of an eligible entity receiving
26 monies pursuant to the provisions of this Section shall apply the money to the cost
27 of repair or replacement of the damaged property or to the cost of an approved
28 project replacing such damaged property. If federal assistance funds have been
29 received for the damaged property and monies disbursed to the eligible entity
30 pursuant to the provisions of this Section remain after the eligible entity has satisfied

1 its portion of any required local match for such damage, the eligible entity shall
2 apply any remaining funds to one or more of the following for expenses incurred
3 since August 29, 2021:

4 (1) A facility owned by an eligible entity that is open to the public for public
5 use.

6 (2) A public facility that an eligible entity owns or has legal responsibility
7 for maintaining, including any:

8 (a) Flood control, navigation, irrigation, reclamation, public power, sewage
9 treatment and collection, water supply and distribution, watershed development, or
10 airport facility.

11 (b) Non-Federal-aid street, road, or highway.

12 (c) Other public building, structure, or system, including those used for
13 educational, recreational, or cultural purposes.

14 (d) Park.

15 (3) A facility owned by a private, nonprofit entity and used to provide
16 services to the general public.

17 (4) A mixed use facility provided that more than fifty percent of the physical
18 space of the facility is used for a public purpose.

19 (5) A facility that meets both of the following conditions:

20 (a) At least fifty percent of the total square footage of the facility was used
21 by the owner for a public purpose before Hurricane Ida.

22 (b) All or part of the facility was under repair or remodeling when Hurricane
23 Ida struck the facility.

24 (6) Debris Removal.

25 (7) Emergency Protection Measures.

26 * * *

27 Section 3. This Act shall become effective upon signature by the governor or, if not
28 signed by the governor, upon expiration of the time for bills to become law without signature
29 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

- 1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

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 550 Original

2023 Regular Session

Zeringue

Abstract: Transfers state general fund monies to certain special funds and accounts in the state treasury and makes changes to the use of monies in the Hurricane Ida Recovery Fund

Proposed law transfers 25% of the FY 2021-2022 surplus (\$181,630,129) to the Budget Stabilization Fund.

Present law (R.S. 39:100.171) establishes the Hurricane Ida Recovery Fund (hereafter the "fund") and provides for the administration and use of monies deposited into such fund. Proposed law retains present law. Further requires unexpended and unencumbered monies in the fund at the end of the fiscal year to remain in the fund.

Present law provides that monies in the fund shall be used to make full or partial payments to political subdivisions, including school boards, (hereafter "eligible entities") that suffered property loss or damage caused by Hurricane Ida. Proposed law retains present law. Present law requires any payment to an eligible entity made from the fund pursuant to the provisions of this Section be applied by the governing authority of the eligible entity to the cost of repair or replacement of the damaged property. Proposed law retains present law and further authorizes monies received pursuant to proposed law to be applied toward the cost of an approved project replacing such damaged property. If federal assistance funds have been received for the damaged property and monies disbursed to the eligible entity pursuant to the provisions of proposed law remain after the eligible entity has satisfied its portion of any required local match for such damage, proposed law requires the eligible entity to apply any remaining funds to one or more of the following for expenses incurred since August 29, 2021:

- (1) A facility owned by an eligible entity that is open to the public for public use.
- (2) A public facility that an eligible entity owns or has legal responsibility for maintaining, including any:
 - (a) Flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility.
 - (b) Non-Federal-aid street, road, or highway.
 - (c) Other public building, structure, or system, including those used for educational, recreational, or cultural purposes.
 - (d) Park.
- (3) A facility owned by a private, nonprofit entity and used to provide services to the general public.

- (4) A mixed use facility provided that more than fifty percent of the physical space of the facility is used for a public purpose.
- (5) A facility that meets both of the following conditions:
 - (a) At least fifty percent of the total square footage of the facility was used by the owner for a public purpose before Hurricane Ida.
 - (b) All or part of the facility was under repair or remodeling when Hurricane Ida struck the facility.
- (6) Debris Removal.
- (7) Emergency Protection Measures.

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

(Amends R.S. 39:100.171)