

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 may be changed  
10 by a law enacted by two-thirds of the elected members of each house of the  
11 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) In addition to Paragraph (1) of this Subsection, monies in the Revenue  
19 Stabilization Trust Fund may be used as follows:

20           (a) If after the incorporation of the maximum allowable use of monies from  
21 the Budget Stabilization Fund into the official forecast for the next fiscal year, the  
22 official forecast for the next fiscal year is less than the official forecast for the current  
23 fiscal year, the difference, not to exceed two hundred fifty million dollars, may be  
24 incorporated into the next fiscal year's official forecast.

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

1           (c) Monies incorporated into the official forecast pursuant to Subparagraph  
 2           (a) of this Paragraph or appropriated pursuant to Subparagraph (b) of this Paragraph  
 3           shall require a concurrent resolution adopted by a favorable vote of two-thirds of the  
 4           elected members of each house of the legislature. If the legislature is not in session,  
 5           the two-thirds consent requirement shall be obtained as provided in R.S. 39:87.  
 6           Section 2. This Act shall take effect and become operative if and when the proposed  
 7 amendment of Article VII of the Constitution of Louisiana contained in the Act which  
 8 originated as House Bill No. 244 of this 2023 Regular Session of the Legislature is adopted  
 9 at a statewide election and becomes effective.

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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)]

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HB 261 Engrossed

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. Proposed law provides for the funds in the Revenue Stabilization Fund to be used to offset deficits in the current or next fiscal year. Provides for monies from the fund to offset the deficit only after the maximum allowable amount of funds have been withdrawn from the Budget Stabilization Fund established in present law. 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))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Provide that monies in the Revenue Stabilization Trust Fund may be used for budget deficits in the current and next fiscal year.
2. Remove the word "recurring" in reference to the official forecast.
3. Change "the incorporation of monies from the Budget Stabilization Fund" to "the maximum allowable use of monies from the Budget Stabilization Fund".
4. Make technical changes.