

CONFERENCE COMMITTEE REPORT

HB 409

2016 Regular Session

Henry

June 5, 2016

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 409 by Representative Henry, recommend the following concerning the Reengrossed bill:

1. That Senate Committee Amendments Nos. 1 through 4 by the Senate Committee on Finance (#3886) be rejected.
2. That Senate Committee Amendments Nos. 5 through 10 by the Senate Committee on Finance (#3886) be adopted.
3. That the set of Senate Floor Amendments by Senator LaFleur (#3929) be rejected.
4. That Senate Floor Amendments Nos. 1 through 5 by Senator LaFleur (#4013) be rejected.
5. That Senate Floor Amendments Nos. 6 through 16 by Senator LaFleur (#4013) be adopted.
6. That the following amendments be adopted:

AMENDMENT NO. 1

In Amendment No. 6 by the Senate Committee on Finance (#3886), on page 1, line 33, after "Fund." delete the remainder of the line and delete lines 34 and 35 in their entirety and insert "After allocation of money to the Bond Security and"

AMENDMENT NO. 2

In Amendment No. 6 by the Senate Committee on Finance (#3886), on page 1, line 37, after "Louisiana" delete "and prior to any other allocation," and insert a comma ","

AMENDMENT NO. 3

In Amendment No. 9 by the Senate Committee on Finance (#3886), on page 4, line 9, after "prevails in" delete "any" and insert "the"

AMENDMENT NO. 4

In Senate Floor Amendment No. 6 by Senator LaFleur (#4013), on page 1, at the beginning of line 26, change ""R.S. 49:259" to "R.S. 49:259(A) through (D)"

AMENDMENT NO. 5

In Senate Floor Amendment No. 15 by Senator LaFleur (#4013), on page 3, delete lines 40 through 42 in their entirety

AMENDMENT NO. 6

In Senate Floor Amendment No. 16 by Senator LaFleur (#4013), on page 3, at the end of line 54, insert two quotation marks """"

- 7. That the following amendments to the Reengrossed bill be adopted:

AMENDMENT NO. 7

On page 1, line 2, after "reenact" and before "Code" insert "R.S. 39:91(A), R.S. 47:302.2(C)(1)(b), and R.S. 49:259(A) through (D) and"

AMENDMENT NO. 8

On page 1, at the beginning of line 5, delete "of hospital lease payments;" and insert the following:

"and transfer of hospital payments; to provide relative to the Deepwater Horizon Economic Damages Collection Fund; to provide relative to the Fiscal Year 2015-2016 Deficit Elimination Fund; to provide for the allocations of certain monies in the Shreveport Riverfront and Convention Center and Independence Stadium Fund; to provide for deposits into the Department of Justice Legal Support Fund; to provide relative to the transfer by the Department of Revenue of monies held in escrow; to authorize and direct the state treasurer to remit certain monies received by the state as a result of the Deepwater Horizon litigation; to direct the attorney general to remit certain funds; to provide for the transfer of excess funds in the High Risk Pool Fund;"

Respectfully submitted,

Representative Cameron Henry

Senator Eric LaFleur

Representative Taylor F. Barras

Senator John A. Alario, Jr.

Representative Valarie Hodges

Senator Barrow Peacock

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)]

CONFERENCE COMMITTEE REPORT DIGEST

HB 409

2016 Regular Session

Henry

Keyword and oneliner of the instrument as it left the House

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

Report adopts Senate amendments to:

1. Require 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. Require 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. Provide for the deposit of monies received 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 from the Attorney General's Consumer Support Escrow Account transferred to the account on May 17, 2016.
4. Require 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.
5. Change allocations of the Shreveport Riverfront and Convention Center and Independence Stadium Fund.
6. Direct 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.
7. Require 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.
8. Add provisions related to the Dept. of Justice Legal Support Fund, including the prohibition of depositing Deepwater Horizon litigation proceeds, requiring the attorney general to notify the Joint Legislative Committee on the Budget and the commissioner of administration of any deposits into the fund, deleting nonsupplant language and provisions determining the fund balance and the amount of annual transfers into the fund.

Report rejects Senate amendments which would have:

1. Specified 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.

Digest of the bill as proposed by the Conference Committee

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 requires that all settlement proceeds received by the state shall be reported to the Joint Legislative Committee on the Budget (JLCB).

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 \$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

In order to comply with the deposits of Deepwater Horizon Proceeds, requires the attorney general to remit \$7,000,000 from the Attorney General's Consumer Support Escrow Account 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.

DEPARTMENT OF JUSTICE LEGAL SUPPORT FUND

Proposed law adds provisions related to the Dept. of Justice Legal Support Fund, including the prohibition of depositing Deepwater Horizon litigation proceeds, requiring the attorney general to notify the Joint Legislative Committee on the Budget and the commissioner of administration of any deposits into the fund, deleting nonsupplant language and provisions determining the fund balance and the amount of annual transfers into the 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), and R.S. 49:259(A) through (D) and C.Cr.P. Art. 895.1(F)(3)(e); Adds R.S. 17:1519.6(E))