

2020 First Extraordinary Session

HOUSE BILL NO. 15

BY REPRESENTATIVE IVEY

BUDGETARY CONTROLS: Establishes the State Budget Authority Reserve Trust for use as an extra source of revenue for executive department agencies (Item #11)

1 AN ACT

2 To enact Subpart U of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana
3 Revised Statutes of 1950, to be comprised of R.S. 39:100.161, relative to state funds;
4 to establish the State Budget Authority Reserve Trust as a special treasury fund; to
5 provide for the sources and uses of monies in the fund; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Subpart U of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
9 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.161, is hereby enacted to read
10 as follows:

11 SUBPART U. STATE BUDGET AUTHORITY RESERVE TRUST

12 §100.161. State Budget Authority Reserve Trust

13 A. The State Budget Authority Reserve Trust is hereby established in the
14 state treasury as a special fund, hereinafter referred to as the "trust".

15 B.(1) Except as provided in Paragraph (2) of this Subsection, the treasurer
16 shall deposit an amount equal to one percent of all revenues that flow through the
17 Bond Security and Redemption Fund as provided for in Article VII, Section 9(B) of

1 the Constitution of Louisiana for appropriation from the state general fund into the
2 fund.

3 (2) Monies in the state general fund that are received by the state or by any
4 state board, agency, or commission, but pledged in connection with the issuance of
5 bonds shall not be deposited into the fund.

6 C. The monies in the trust shall be invested in the same manner as monies
7 in the state general fund and all interest earned on the investment of the trust shall
8 be deposited in and credited to the trust.

9 D. Appropriation from the trust shall only be made as follows:

10 (1) An agency may apply to the commissioner of administration and the
11 Joint Legislative Committee on the Budget for an increase in budget authority to be
12 funded by a transfer from the trust.

13 (2) Any increase in revenues appropriated to an agency pursuant to the
14 provisions of this Paragraph shall be available for allotment and expenditure by an
15 agency on approval of the increase in the agency's budget authority by the
16 commissioner of administration and the Joint Legislative Committee on the Budget.

17 E. All unexpended and unencumbered monies in the trust at the end of the
18 fiscal year shall remain in the fund.

19 F. Not less than quarterly, the treasurer shall report to the commissioner of
20 administration and the Joint Legislative Committee on the Budget the total amount
21 of funds available for distribution from the trust.

22 Section 2. The provisions of this Act shall become effective July 1, 2021.

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 15 Engrossed

2020 First Extraordinary Session

Ivey

Abstract: Creates the State Budget Authority Reserve Trust to be used as an extra source of revenue for executive department agencies.

Proposed law establishes the State Budget Authority Reserve Trust to be used as an extra source of revenue for executive department agencies. Further requires 1% of all monies that flow through the Bond Security and Redemption Fund for appropriation from the state general fund, except for monies pledged in connection with issuance of bonds, be deposited into the fund.

Proposed law authorizes the commissioner of administration acting in concert with the Joint Legislative Committee on the Budget to allocate revenues from the trust to agencies who apply for increased budget authority.

Proposed law provides that unexpended money in the trust at the end of a fiscal year must remain in the fund.

Further requires the treasurer to report not less than quarterly to the commissioner of administration and the Joint Legislative Committee on the Budget the total amount of funds available for distribution from the trust.

Effective July 1, 2021.

(Adds R.S. 39:100.161)

Summary of Amendments Adopted by House

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

1. Remove requirement that unexpended monies in the fund at the end of the fiscal year be designated as non-recurring revenue and instead require such unexpended revenues to remain in the fund.
2. Change the effective date from July 1, 2020 to July 1, 2021.