

2021 Regular Session

SENATE BILL NO. 238

BY SENATOR MILLIGAN

SCHOOLS. Provides with respect to the Caddo Educational Excellence Fund. (gov sig)

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AN ACT

To amend and reenact R.S. 17:408.1(A) and (B), relative to the Caddo Educational Excellence Fund; to provide for the investment of the funds; to provide for the withdrawal of certain earnings; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:408.1(A) and (B) are hereby amended and reenacted to read as follows:

§408.1. Caddo Educational Excellence Fund; creation; investment; **withdrawal**

A.**(1)** There is hereby established the Caddo Educational Excellence Fund, hereafter in this Section called the "fund", which shall be a permanent trust fund in the official repository of the Caddo Parish School Board, held and invested on behalf of the Caddo Parish School Board, the investment income of which may be withdrawn by the Caddo Parish School Board during ~~January of each calendar~~ **the following fiscal** year on its own warrant. All money thus withdrawn shall be expended only as authorized in Subsection C of this Section.

(2) Withdrawals from the fund shall be limited as follows:

- (1) In the fiscal year following a year that the earnings of the fund were greater than five percent, withdrawals from the fund shall not exceed five percent of the fund.
- (2) In the fiscal year following a year that the earnings of the fund were between three and five percent, withdrawals from the fund shall not exceed the rate of earnings from the previous year.
- (3) In the fiscal year following a year that the earnings of the fund were less than three percent, withdrawals from the fund shall not exceed three percent of the fund.

Present law provides that the funds shall be invested in the same manner as monies in the state general fund.

Proposed law provides instead that monies shall be invested in the same manner as post-employment benefits trusts are permitted to be invested in law.

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

(Amends R.S. 17:408.1(A) and (B))