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DIGEST

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**CONFERENCE COMMITTEE REPORT DIGEST**

**HB 550**

**2023 Regular Session**

**Zeringue**

**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. Make transfers into certain funds in Fiscal Year 2022-2023.
2. Transfer \$50,000,000 of State General Fund (Direct) into the Capital Outlay Savings Fund in Fiscal Year 2023-2024.
3. Delete provisions establishing the 2024 IUAL Payment Fund and the LASERS and TRSL Subfunds created within it. Also delete transfers into such subfunds.
4. Delete \$68,000,000 M transfer into the Overcollections Fund.
5. Increase from \$10,000,000 M to \$15,000,000 M the amount of State General Fund (Direct) transferred into the Health Care Employment Reinvestment Opportunity (H.E.R.O.) Fund.
6. Transfer the following amounts from the State General Fund (Direct) into the following funds:
  - a. \$1,000,000 into the La. Postsecondary Inclusive Education Fund.
  - b. \$1,500,000 into the Jump Start Your Heart Fund, if Senate Bill No. 12 of the 2023 Regular Session becomes law.
  - c. \$40,000,000 into the Coastal Protection and Restoration Fund.
  - d. \$50,000,000 into the Water Sector Fund.
  - e. \$15,000,000 into the Capital Outlay Savings Fund in Fiscal Year 2022-2023 and an additional \$57,500,000 in Fiscal Year 2023-2024.
  - f. \$20,000,000 into the Fortify Homes Program Fund.
7. Make technical changes.

**Report rejects Senate amendments which would have:**

1. Made effectiveness of certain transfers in proposed law subject to final passage of Senate Concurrent Resolution No. 3 of the 2023 Regular Session.
2. Increased from \$7,500,000 to \$24,500,000 the amount of State General Fund (Direct) transfer into the Insure La. Incentive Fund in Fiscal Year 2022-2023.
3. Deleted \$5,000,000 transfer from the State General Fund (Direct) into the Court Modernization and Technology Fund.

**Report amends the bill to:**

1. Decrease from \$80,000,000 to \$50,000,000 M the amount of monies transferred into the Water Sector Fund.
2. Decrease from \$40,000,000 to \$20,000,000 the amount of State General Fund (Direct) transferred into the Fortify Homes Program Fund.
3. Decrease from \$30,500,000 to \$15,500,000 the amount of State General Fund (Direct) transferred into the Higher Education Initiatives Fund.
4. Decrease from \$30,000,000 to \$10,000,000 the amount of monies transferred into the Power-Based Violence and Safety Fund.
5. Delete \$13,000,000 transfer of State General Fund (Direct) into the La. Early Childhood Education Fund.
6. Transfer in Fiscal Year 2023-2024 \$125,000,000 of State General Fund (Direct) to the Construction Subfund Preservation Account of the Transportation Trust Fund.

**Digest of the bill as proposed by the Conference Committee**

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

Proposed law transfers the following amounts from the state general fund in the current fiscal year:

- (1) \$340,000,000 to the Transportation Trust Fund.
- (2) \$15,500,000 to the Higher Education Initiatives Fund.
- (3) \$1,000,000 to the La. Postsecondary Inclusive Education Fund
- (4) \$1,500,000 to the Jump Start Your Heart Fund, if Senate Bill No. 12 of the 2023 R.S. becomes law.

- (5) \$10,000,000 to the Power-Based Violence and Safety Fund as provided in proposed law.
- (6) \$24,904,474 to the State Emergency Response Fund.
- (7) \$20,000,000 to the Voting Technology Fund.
- (8) \$10,000,000 to the Oyster Resource Management Account.
- (9) \$15,000,000 to the Health Care Employment Reinvestment Opportunity (H.E.R.O.) Fund.
- (10) \$7,500,000 to the Insure La. Incentive Fund.
- (11) \$5,000,000 to the Law Enforcement Recruitment Incentive Fund, if House Bill No. 563 of the 2023 R.S. becomes law.
- (12) \$5,000,000 to the Geaux Teach Fund.
- (13) \$5,000,000 to the La. Economic Development Fund.
- (14) \$4,000,000 to the Major Events Incentive Fund.
- (15) \$2,500,000 to the Reading Enrichment and Academic Deliverables (R.E.A.D.) Fund, as provided in proposed law.
- (16) \$2,500,000 to the Imagination Library of La. Fund, if House Bill No. 412 of the 2023 R.S. becomes law.
- (17) \$1,500,000 to the Hazard Mitigation Revolving Loan Fund.
- (18) \$40,000,000 to the Coastal Protection and Restoration Fund.
- (19) \$50,000,000 to the Water Sector Fund.
- (20) \$15,000,000 to the Capital Outlay Savings Fund.
- (21) \$20,000,000 to the Fortify Homes Program Fund.

Proposed law transfers the following amounts in Fiscal Year 2023-2024:

- (1) \$57,500,000 to the Capital Outlay Savings Fund.
- (2) \$10,000,000 to the La. Fortify Homes Program Fund from Fees and Self-generated Revenues of the Dept. of Insurance.
- (3) \$2,500,000 to the Insure La. Incentive Fund from Fees and Self-generated Revenues of the

Dept. of Insurance.

- (4) \$50,000,000 to the Construction Subfund Preservation Account of the Transportation Trust Fund.

Proposed law (R.S. 17:4033.1) establishes the R.E.A.D. Fund as a special fund in the treasury. Requires monies in the fund to be invested in the same manner as monies in the state general fund and that interest earned on investment of monies in the R.E.A.D. Fund are to be credited to the R.E.A.D. Fund. Provides that monies in the fund are to be used by the state Dept. of Education for administration and implementation of the R.E.A.D. Program (provided in present law).

Present law (R.S. 39:100.44.1) establishes the La. Main Street Recovery Rescue Plan Fund and provides for deposit of monies into the fund, to be used for: economic support grants for La. timber harvesting and timber hauling businesses; economic support grants for eligible movie theater owners, as provided in present law; and for the La. Agriculture Transportation Group Self-Insured Fund. Further requires that any remaining monies in the La. Rescue Plan Fund on June 30, 2023, are to be transferred to the La. Rescue Plan Fund. Proposed law extends until June 30, 2024, the date at which monies in the fund are to be transferred to the La. Rescue Plan Fund.

Present law (R.S. 39:100.101) establishes the Power-Based Fund and requires monies deposited into the fund to be used for Title IX offices at every public postsecondary institution in the state. Proposed law changes the Power-Based Fund to the Power-Based Violence and Safety Fund and provides that monies in the fund are to be used for power-based violence, Title IX, and safety initiatives at every public postsecondary institution in the state.

Present law (R.S. 39:100.171) establishes the Hurricane Ida Recovery Fund (fund) and provides for the administration and use of monies deposited into the 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, (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 to be made from the fund pursuant to the provisions of present law to 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 monies received from the fund to one or more of the following for expenses incurred since Aug. 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 50% 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 50% 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.

Present law (R.S. 39:100.201) establishes the Political Subdivision Federal Grant Assistance Fund and provides for deposit and use of monies in the fund. Requires monies in the fund to be appropriated to the division of administration via BA-7. Proposed law deletes the requirement that monies be appropriated by BA-7. Additionally adds the office of rural development within the office of the governor as an entity eligible to use monies in the fund. Present law requires monies in the fund to be used for the administration of a program to assist political subdivisions with competitive federal grant opportunities made pursuant to the Infrastructure Investment and Jobs Act. Proposed law retains present law.

Proposed law establishes the Court Modernization and Technology Fund as a special fund in the state treasury. Provides that the Judicial Council of the Supreme Court shall administer the fund to provide technology upgrades in courts under the supervisory jurisdiction of the Supreme Court pursuant to Article V of the Constitution of La. Requires monies in the fund to be invested in the

same manner as monies in the state general fund. Provides that interest earned on investment of monies in the fund shall be credited to the fund. Requires any unexpended or unencumbered monies in the fund at the end of the fiscal year to remain in the fund. Requires the Supreme Court to promulgate rules for the administration of the fund. Further sets forth requirements for the Judicial Council's administration of fund monies. Requires the council to submit a quarterly status report to the Joint Legislative Committee on the Budget beginning Oct. 1, 2023.

Proposed law establishes the Public Safety and Crime Prevention Fund in the state treasury. Provides that the fund may receive any monies appropriated by the legislature and that any unexpended and unencumbered funds in the fund at the end of the fiscal year shall remain in the fund. Requires monies in the fund to be invested by the treasurer in the same manner as monies in the state general fund and that any interest earned on such investment be deposited into the fund. Proposed law provides that, subject to appropriation, monies in the fund are to be used by the office of state police for public safety services, including patrol and law enforcement, in any parish having a population of not less than 280,000 persons and not more than 420,000 persons according to the latest federal decennial census.

Effective upon signature of governor or lapse of time for gubernatorial action, except that transfers for FY 2023-2024 are effective July 1, 2023.

(Amends R.S. 39:100.44.1(H)(3), the heading of Subpart P-3 of Part II-A of Chapter 1 of Subtitle I of Title 39, 100.101, 100.171, and 100.201(B)-(D); adds R.S. 17:4033.1(F) and R.S. 39:100.211 and 100.221)