

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 549** HLS 13RS 809

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 19, 2013 4:21 PM	<b>Author:</b> LEGER
<b>Dept./Agy.:</b> DHH	<b>Analyst:</b> Jennifer Katzman
<b>Subject:</b> Creation of the Louisiana MediFund	

RESEARCH & DEVELOPMENT

RE SEE FISC NOTE SD RV

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Establishes the MediFund for statewide advancement of biosciences and medical centers of excellence

Proposed law creates the Louisiana MediFund in the state treasury for the advancement of biosciences and medical centers of excellence. Proposed law also provides for board membership and activities under the LSU Board of Regents. Funding for the MediFund may come from state appropriation, federal funds, public or private donations, gifts, or grants from individuals, corporations, nonprofit organizations, or other business entities. Proposed legislation also repeals R.S. 51:2201-2205 relative to the Dedicated Research Investment Fund.

Proposed legislation further indicates that the goals of the MediFund are to create regional and national medical centers of excellence to promote destination health care, contribute to improvement of health outcomes, support research & clinical partnerships, & facilitate a process for funding programs. Programmatic funding shall be based on a tiered system of awards known as planning or program grants to public or not-for-profit entities only. Proposed law terminates on 12/31/2018.

<b>EXPENDITURES</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

<b>REVENUES</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There is an anticipated increase in Statutory Dedications expenditures as a result of the proposed legislation due to the creation of the MediFund, which will be used to issue grants to public or not-for-profit entities for strategic research & clinical partnerships, improving health outcomes, and promoting Louisiana as a destination source for health care. However, any level of annual expenditures is unknown & will depend on the funding deposited in the MediFund & how grants are awarded.

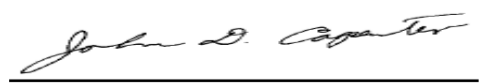
The LFO also anticipates a minimum workload increase associated with the creation and reporting requirements of this single fund in the treasury. However, the treasurer has noted that if the number of special and administrative funds increase significantly during the 2013 Regular Session, this may cause a significant workload increase necessitating the hiring of an additional State Treasury Fiscal Analyst (\$53,886 starting salary & related benefits funded with SGR).

**REVENUE EXPLANATION**

The impact on revenues as a result of the proposed legislation is unknown. The proposed legislation states that funding for the MediFund may come from state appropriation, federal funds, public or private donations, gifts, or grants from individuals, corporations, nonprofit organizations, or other business entities. As such, MediFund activities are subject to state appropriation and availability of private and Federal funding. There is currently no state funding budgeted for the MediFund in FY 14, and the availability of Federal and private funding is unknown.

Note: There are currently no existing funds within the Dedicated Research Investment Fund which is being repealed by this legislation.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

  
**John D. Carpenter**  
**Legislative Fiscal Officer**