
DIGEST

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Abramson

HB No. 598

Abstract: Establishes accounts in the Education Excellence Fund to provide for the Casino Support Services Contract and early childhood development and education services.

Present law establishes the Support Education in La. First Fund (the SELF Fund) and provides for the fund to receive revenues pursuant to fees charged on riverboat and casino gaming operations as provided for in present law.

Proposed law retains present law and further provides for the SELF Fund to receive monies from the Education Excellence Fund-Casino Support Services Account as provided for in proposed law.

Present law provides for the gaming control board to enter into a casino support services contract with the governing authority of the parish where the official gaming establishment is located to compensate the parish on a quarterly basis for the parish's costs for providing support services resulting from the operation of the official gaming establishment. Support services as used in present law include fire, police, sanitation, health, transportation, and traffic services. The amount of the contract is determined by negotiation and agreement between the gaming control board and the parish, subject to approval by the Joint Legislative Committee on the Budget (JLCB). In the event that a new contract is not agreed upon by the gaming control board and the parish by March 31 of any year, the current contract shall be submitted to JLCB for approval at the next meeting of the committee. If JLCB approves the amount of the contract, the contract shall remain in full force and effect. If JLCB disapproves or does not act upon the amount of the contract, the contract shall be null, void, and of no effect.

Proposed law retains present law and further provides that obligations of the state required under the contract shall be paid from funds appropriated out of the Education Excellence Fund-Casino Support Services Account created in proposed law.

Proposed law provides that monies received by the state from the operation of the official gaming establishment located in Orleans Parish shall be deposited into the Education Excellence Fund-Casino Support Services Account created in proposed law.

Present law and present constitution creates the Education Excellence Fund within the Millennium Trust and provides that 1/3 of the investment earnings on investment of monies from the Tobacco Master Settlement Agreement be deposited into the fund.

Proposed law retains present law and further establishes three accounts in the Education Excellence Fund: the Permanent Account, the Casino Support Services Account, and the Early Childhood Development Account.

Proposed law further provides that the accounts established receive monies as follows:

- (1) The Permanent Account receives 1/3 of the investment earnings on investment of monies from the Tobacco Master Settlement Agreement.
- (2) The Casino Support Services Account receives the monies received by the state under the contract to operate the official gaming establishment located in Orleans Parish.
- (3) The Early Childhood Development Account receives monies transferred from the Education Excellence Fund-Casino Support Services Account once the obligations of that account have been paid according to proposed law.

Proposed law provides that upon the effective date of proposed law, the state treasurer shall deposit, transfer, or otherwise credit funds in an amount equal to unencumbered monies deposited in and credited to the Education Excellence Fund to the Education Excellence Fund-Permanent Account.

Proposed law provides that appropriation of monies from the Education Excellence Fund-Casino Support Services Account shall be an amount equal to the revenues received by the state in FY 2013-2014 under the contract to operate the official gaming establishment located in Orleans Parish for the following purposes:

- (1) Satisfaction of any state obligation required pursuant to a casino support services contract for purposes of the official gaming establishment located in Orleans Parish.
- (2) 1% for services related to compulsive and problem gaming.
- (3) Of the monies remaining, appropriations may be made for the support of salaries of public pre-kindergarten through 12th grade certificated personnel and public postsecondary education faculty as provided in the SELF Fund.

Proposed law requires all remaining monies be deposited in and credited to the Education Excellence Fund-Early Childhood Development Account.

Proposed law provides that changes to the purposes and limitations on appropriations and transfers of money from the Casino Support Services Account as provided for in proposed law may be authorized for a specific fiscal year by a favorable vote of 2/3 of the elected members of each house. Any such change must be approved by passage of a specific legislative instrument, considered during any regular session of the legislature that clearly states the intent to change a purpose or limitation on an appropriation or required transfer of money. The legislative instrument shall only be considered in the fiscal year preceding the fiscal year for which the

change is proposed.

Proposed law provides that appropriations from the Education Excellence Fund-Early Childhood Development Account shall be restricted to the support of early childhood development and education services as provided by present law.

Effective upon approval of the proposed constitutional amendment of Art. VII, §10.8 of the Const. of La. in HB No. ____ of the 2014 R.S.

(Amends R.S. 17:421.7(A), R.S. 27:247, R.S. 39:98.1(C), 98.2(E), and 98.3(A)(1) and (4) (C)(intro. para.), (1), (5), (7), and (8), (D), and (E); Adds R.S. 27:270.1 and R.S. 39:98.3(F) and (G))