

Regular Session, 2014

HOUSE BILL NO. 1241

BY REPRESENTATIVE HENRY

FUNDS/FUNDING: Provides for deposits of monies from certain settlement proceeds as a result of the Deepwater Horizon oil spill into the Budget Stabilization Fund and the Medicaid Trust Fund for the Elderly

1 AN ACT

2 To amend and reenact R.S. 46:2691(A) and to enact Subpart A of Part II-A of Chapter 1 of
3 Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S.
4 39:91, relative to the deposit of monies received by the state from the Deepwater
5 Horizon oil spill; to establish the Deepwater Horizon Economic Damages Collection
6 Fund; to provide for deposits of monies into the Medicaid Trust Fund for the Elderly;
7 to provide for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Subpart A of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
10 Louisiana Revised Statutes of 1950, comprised of R.S. 39:91, is hereby enacted to read as
11 follows:

12 SUBPART A. DEEPWATER HORIZON ECONOMIC

13 DAMAGES COLLECTION FUND

14 §91. Deepwater Horizon Economic Damages Collection Fund

15 A. There shall be established in the state treasury as a special permanent trust
16 fund the Deepwater Horizon Economic Damages Collection Fund. After allocation
17 of money to the Bond Security and Redemption Fund as provided in Article VII,
18 Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit in and credit
19 to the Deepwater Horizon Economic Damages Collection Fund all proceeds from the

1 settlement, judgment, or final disposition of the state's economic damages claims
2 asserted in State of Louisiana v. BP Exploration & Production, et al., MDL NO. 2179
3 (E.D.L.A. pending), hereinafter "DWH litigation", to recover economic damages
4 sustained by the state from the Deepwater Horizon explosion and oil spill that
5 occurred on or about April 20, 2010, at the MC 252 site in the Gulf of Mexico.

6 B. Within thirty days of each deposit of the economic damages proceeds
7 from the DWH litigation into the Deepwater Horizon Economic Damages Collection
8 Fund, the treasurer shall make transfers from the fund as follows:

9 (1) Fifty percent of each deposit shall be transferred to the Budget
10 Stabilization Fund until the balance of such fund is equal to the balance as of April
11 20, 2010.

12 (2) Fifty percent of each deposit shall be transferred to the Medicaid Trust
13 Fund for the Elderly until an amount not to exceed seven hundred million dollars has
14 been deposited into such fund.

15 C. This Subpart shall be null, void, and of no effect at the later of the
16 conclusion of the DWH litigation or July 1, 2024.

17 Section 2. R.S. 46:2691(A) is hereby amended and reenacted to read as follows:

18 §2691. Medicaid Trust Fund for the Elderly

19 A. (1) There is hereby established as a permanent trust fund in the state
20 treasury designated the "Medicaid Trust Fund for the Elderly", hereinafter referred
21 to as the "fund". After allocation of money to the Bond Security and Redemption
22 Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the
23 treasurer shall deposit in and credit to the fund the following sources:

24 (a) ~~all~~ All money that is received from any source, including but not limited
25 to an intergovernmental transfer program provided for in this Chapter and all income
26 on investment of monies in the fund.

27 (b) As provided in R.S. 39:91, a portion of the proceeds of the settlement,
28 judgment, or final disposition of the state's economic damages claims asserted in
29 State of Louisiana v. BP Exploration & Production, et al., MDL NO. 2179 (E.D.L.A.

Proposed law creates the Deepwater Horizon Economic Damages Collection Fund and deposits proceeds of the settlement, judgment, or final disposition of the state's economic damages claims asserted in State of Louisiana v. BP Exploration & Production, et al., MDL NO. 2179 (E.D.LA. pending), hereinafter "DWH litigation", to recover economic damages sustained by the state from the Deepwater Horizon explosion and oil spill that occurred on or about April 20, 2010, at the MC 252 site in the Gulf of Mexico into the fund.

Proposed law further provides that within 30 days of each deposit of economic damages proceeds from the DWH litigation into the fund, the treasurer shall make the transfers from the fund as follows:

(1) 50% of the deposits shall be transferred to the Budget Stabilization Fund until the fund reaches the balance of the fund as of April 20, 2010.

(2) 50% of the deposits shall be transferred to the Medicaid Trust Fund for the Elderly until an amount not to exceed \$700 million has been deposited into the fund except when the terms and conditions stipulated in the settlement or judgment require otherwise.

The provisions of proposed law shall be null, void, and of no effect at the later of the conclusion of the DWH litigation or July 1, 2024.

Effective July 1, 2014.

(Amends R.S. 46:2691(A); Adds R.S. 39:91)