
DIGEST

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St. Germain

HB No. 629

Abstract: Provides for the annual deposit of \$50 million of excess mineral revenues into the Transportation Trust Fund for ten years beginning July 1, 2017, rather than deposit into the Budget Stabilization Fund.

Present constitution establishes the Budget Stabilization Fund and requires the deposit of mineral revenues in excess of \$750 million (base amount) which are derived from the production of or exploration for minerals (mineral revenue), including severance taxes, royalty payments, bonus payments, or rentals, and excluding revenues designated as nonrecurring pursuant to Article VII, Section 10(B) of the constitution, revenues received by the state as a result of grants or donations when the terms or conditions of the grant require otherwise, and revenues derived from any tax on the transportation of minerals, such deposit to be made after the following allocations of said mineral revenues have been made:

- (1) To the Bond Security and Redemption Fund as provided by Article VII, Section 9 (B) of present constitution.
- (2) To the political subdivisions of the state as provided in Article VII, Sections 4 (D) and (E) of present constitution.
- (3) As provided by the requirements of Article VII, Section 10-A and 10.1 of present constitution.

Present constitution authorizes an increase in the base amount for deposits into the Budget Stabilization Fund every 10 years beginning in 2000 by a law enacted by two-thirds of the elected members of each house of the legislature. Present law provides that the base amount is \$850 million.

Present constitution provides that monies in the Budget Stabilization Fund are available exclusively for use in the case of an existing or projected budget deficit.

Present constitution establishes the Transportation Trust Fund (TTF) as a special treasury fund into which the proceeds of the state tax on gasoline and other fuels is deposited. Monies in the TTF are used for support of the state's highway priority program administered by the Dept. of Transportation and Development.

Proposed constitutional amendment requires the first \$50 million of excess mineral revenues

above the base amount established in present constitution for the Budget Stabilization Fund to be deposited into the TTF instead of the Budget Stabilization Fund. The deposit would be made each year beginning July 1, 2017, and end in the fiscal year that ends June 30, 2027.

Proposed constitutional amendment provides that monies deposited into the TTF pursuant to proposed constitutional amendment shall be used in the same manner as all other monies in the TTF, except if a state infrastructure bank is established by law, then such monies shall be used to capitalize the bank.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 4, 2014.

(Amends Const Art. VII, §27(A); Adds Const. Art. VII, §10.3(A)(2)(a)(iv))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Changed beginning date of the ten-year period for deposits into the TTF from July 1, 2015, to July 1, 2017, and the end date from June 30, 2025, to June 30, 2027.

Committee Amendments Proposed by House Committee on Civil Law and Procedure to the engrossed bill.

1. Added language to the ballot language to specify the use of the excess mineral revenues to capitalize a state infrastructure bank.