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## DIGEST

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Fannin

HB No. 1026

**Abstract:** Provides for the transfer and deposit of monies among state funds.

### **DEEPWATER HORIZON ECONOMIC DAMAGES COLLECTION FUND (EFFECTIVE JULY 1, 2014)**

Proposed law establishes the Deepwater Horizon Economic Damages Collection Fund as a special permanent trust fund in the state treasury for deposits of the proceeds of the settlement of the state's economic damages lawsuit to recover economic damages sustained from the Deepwater Horizon explosion and oil spill (DWH litigation) into the fund.

Within 30 days of the receipt of economic damages proceeds from the DWH litigation, proposed law requires the treasurer to transfer up to 50% of each such receipt to the Budget Stabilization Fund until that fund reaches the amount statutorily mandated by present law (4% of the previous fiscal year's state revenue receipts).

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

### **BUDGET STABILIZATION FUND (EFFECTIVE JULY 1, 2014)**

Present law provides for the deposit of monies into the Budget Stabilization Fund. Requires 25% of nonrecurring money to be deposited into the fund.

Proposed law retains present law and requires that at least \$25 million from any source be annually deposited or appropriated into the fund.

Present law prohibits appropriations or deposits into the Budget Stabilization Fund except pursuant to specific legislative appropriation in the same fiscal year in which funds are used, appropriated, or withdrawn until the official forecast reaches the FY 2008 forecast. Present law becomes null, void, and of no effect on July 1, 2015.

Proposed law excepts the annual deposit of at least \$25 million from the prohibition in present law. Changes the date that present law is nullified from July 1, 2015, to July 1, 2017.

### **DEBT RECOVERY FUND (EFFECTIVE JULY 1, 2014)**

Present law requires monies collected by the office of debt recovery to be transferred to the state agency which referred the delinquent debt to the office for collection within 30 days of collection. Further requires the monies to be used by the referring agency as if the monies had been timely collected.

Proposed law deletes present law and instead provides for the deposit of monies from the collection of delinquent debt be deposited into the Debt Recovery Fund. After satisfying all warrants drawn upon the fund for the return of nonstate monies, unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund unless appropriated.

### **OVERCOLLECTIONS FUND**

Effective upon signature of the governor, authorizes the following to be deposited into the Overcollections Fund:

<b>Amount</b>	<b>Source</b>
\$ 777,318	Community Water Enrichment Fund
\$ 90,375	Dept. of Justice Debt Collection Fund
\$ 191,558	Dept. of Justice Legal Support Fund
\$ 238	Dept. of Health and Hospitals' Facility Support Fund
\$ 1,773	DNA Testing Post-Conviction Relief for Indigents Fund
\$ 3,850,189	Employment Security Administration Account
\$ 35,375	FEMA Reimbursement Fund
\$ 679	Fish and Wildlife Violations Reward Fund
\$ 2,681,729	Hazardous Waste Site Cleanup Fund
\$ 267,900	Health Care Facility Fund
\$ 17,329	La. Interoperability Communications Fund
\$ 496	La. Help Our Wildlife Fund
\$ 24,064	Marketing Fund
\$ 187	Medical and Allied Health Professional Education Scholarship and Loan Fund
\$ 409,144	Small Business Surety Bonding Fund
\$ 1,544,046	Two Percent Fire Insurance Fund
\$ 111	UNO Slidell Technology Park
\$ 19,892	Variable Earnings Transaction Fund
\$ 27,000,000	La. Housing Finance Agency or its successor from unrestricted or unencumbered fund assets - nonrecurring
\$ 32,500,000	Self-Insurance Fund
\$ 36,000,000	Fees & Self-Generated Revenues by the division of administration
\$ 3,700,000	La. Property Assistance Agency
\$ 250,000	Office of Aircraft Services
Unspecified	Interest amounts from the recoupment of underground storage tank payments
Unspecified	Cash balances subject to remission at the end of FY 2013-2014

Effective upon governor's signature, determines the order in which the state treasurer shall transfer nonrecurring revenues into the Overcollections Fund and directs the treasurer to transfer certain funds as follows:

- (1) The amount appropriated out of the fund from nonrecurring revenues for debt defeasance, not to exceed \$37,002,124.
- (2) The amount appropriated out of the fund from nonrecurring revenues for unfunded accrued liability (UAL) payments to the La. State Employees' Retirement System (LASERS) and the Teachers' Retirement System of La. (TRSL), not to exceed \$6,000,000.
- (3) \$25,000,000 transferred to the Budget Stabilization Fund.
- (4) 5% of any remaining nonrecurring revenues shall be available for appropriation to the UAL of LASERS and TRSL.

Effective July 1, 2014, authorizes and directs the state treasurer to transfer the following into the Overcollections Fund:

<b>Amount</b>	<b>Source</b>
Unspecified	Nonrecurring revenue from increased net state tax receipts realized from the implementation of additional fraud initiatives.
Unspecified	The amount of nonrecurring state funds identified by the Dept. of Revenue as collected from debt recovery efforts of the office of debt recovery.

**2013 AMNESTY COLLECTIONS FUND  
(EFFECTIVE ON GOV'S SIGNATURE)**

Effective upon signature of the governor, transfers \$44,400,000 of Fees and Self-Generated Revenues collected by the Dept. of Revenue to the 2013 Amnesty Collections Fund.

**RAPID RESPONSE FUND (EFFECTIVE JULY 1, 2014)**

Effective July 1, 2014, provides that the state treasurer shall not include unexpended and unencumbered monies in the Rapid Response Fund at the end of FY 2013-2014 in the determination of the unencumbered balance of the fund for purposes of determining the amount to be deposited into the fund at the beginning of the fiscal year pursuant to R.S. 51:2361(A)(2).

**STATE GENERAL FUND (EFFECTIVE JULY 1, 2014)**

Effective July 1, 2014, authorizes the following to be deposited into the state general fund:

- (1) All receipts of lease payments for the lease of state hospital buildings and equipment as

determined by the Revenue Estimating Conference (REC).

- (2) GO Zone Bond Payments, as recognized by the REC.

- (3) LA1 toll receipts received in reimbursement of the LA1 loan payment as recognized by the REC.

(Amends R.S. 39:94(A)(3) and (C)(4)(b) and R.S. 47:1676(E); Adds R.S. 39:91)

Summary of Amendments Adopted by House

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

1. Reduced the amount of the transfer out of the Employment Security Administration Account into the Overcollections Fund.
2. Deleted the transfer of nonrecurring revenues out of the Overcollections Fund into the Coastal Protection and Restoration Fund and the transfer of recurring revenues out of the Coastal Protection and Restoration Fund into the Overcollections Fund.
3. Deleted the transfer of nonrecurring revenues from the Ernest N. Morial N.O. Exhibition Hall Authority to the Overcollections Fund.
4. Modified the description of the order of transferring nonrecurring revenues out of the Overcollections Fund.