

**ACT No. 646**

Regular Session, 2014

HOUSE BILL NO. 1026

BY REPRESENTATIVE FANNIN

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AN ACT

To amend and reenact R.S. 3:284(D)(3)(a) and (F), R.S. 39:94(A)(3) and (C)(4)(b), R.S. 46:2691(A) and the introductory paragraph of (B)(1) and 2731(B) and (E)(1), and R.S. 47:302.2(C)(1)(b), 332.6(B), and 1676(E) and to enact R.S. 17:3138.2 and 3138.3 and Subpart A of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:91, relative to special treasury funds; to repeal R.S. 47:6007(C)(7) and R.S. 51:942(I)(2); to provide for the transfer, dedication, use, and appropriations as specified of certain treasury funds; to provide for the deposit of certain funds into the state treasury; to provide for the Louisiana Buy Local Purchase Incentive Program Fund; to provide for deposits into the Budget Stabilization Fund; to establish the Deepwater Horizon Economic Damages Collection Fund; to establish the Debt Recovery Fund; to provide for the disposition of certain collections in the city of Shreveport; to establish the Competitive Core Growth Fund; to establish the Science, Technology, Engineering, and Math (STEM) Upgrade Fund relative to the elimination of certain special treasury funds; to eliminate the Small Business Surety Bonding Fund and the Louisiana Filmmakers Grant Fund; to authorize the transfer of balances between funds; to provide for deposit of monies in the state general fund; to create a trust account in the Health Trust Fund for services provided by home and community based healthcare providers utilized by the developmentally disabled and provide for deposits to the Medicaid Trust Fund for the Elderly from the Deepwater Horizon Economic Damages Collection Fund; to provide for deposits to such account from

1 the Deepwater Horizon Economic Damages Collection Fund; to provide for effective  
2 dates; and to provide for related matters.

3 Be it enacted by the Legislature of Louisiana:

4 Section 1. R.S. 3:284(D)(3)(a) and (F) are hereby amended and reenacted to read as  
5 follows:

6 §284. Louisiana Buy Local Purchase Incentive Program

7 \* \* \*

8 D. Fund

9 \* \* \*

10 (3)(a) Subject to appropriation by the legislature, monies in the fund shall  
11 be used solely to ~~grant incentive payments under the Louisiana Buy Local Purchase~~  
12 ~~Incentive Program as provided in this Section~~ to provide grants to eligible restaurant  
13 establishments for purchases of Louisiana agricultural products all as defined in  
14 Subsection C of this Section and for all ordinary and necessary operating and  
15 administrative costs and expenses associated with implementation of this Section,  
16 provided that the ordinary and necessary operating and administrative costs and  
17 expenses shall not exceed five percent of monies appropriated from the fund. The  
18 Louisiana Agricultural Finance Authority shall have the authority to determine the  
19 grant recipients and the amount of the grant awards as well as other eligible expenses  
20 to be paid with monies appropriated each fiscal year.

21 \* \* \*

22 F. Termination of program ~~and fund~~

23 The program ~~and fund~~ created pursuant to this Section shall terminate on  
24 December 31, 2014. Therefore, no rebate payments authorized according to the  
25 provisions of this Section shall be granted after December 31, 2014. ~~Any~~  
26 ~~unexpended and unencumbered monies in the fund at the end of the program shall~~  
27 ~~revert to the state general fund.~~

1 Section 2. R.S. 17:3138.2 and 3138.3 are hereby enacted to read as follows:

2 §3138.2. Competitive Core Growth Fund

3 A. There is hereby established as a special fund in the state treasury the  
 4 Competitive Core Growth Fund, hereafter referred to as "the fund". Subject to  
 5 appropriation of monies into the fund by the legislature, the state treasurer is directed  
 6 to deposit into the fund at the beginning of each fiscal year an amount equal to at  
 7 least fifteen and one quarter percent of the amount of monies deposited into the  
 8 Workforce and Innovation for a Stronger Economy Fund. Monies in the fund shall  
 9 be invested in the same manner as monies in the state general fund. Interest earned  
 10 on investment of monies in the fund shall be credited to the fund. Unexpended and  
 11 unencumbered monies in the fund at the end of the fiscal year shall remain in the  
 12 fund.

13 B. Monies in the fund shall be appropriated to the Board of Regents to be  
 14 allocated to postsecondary education institutions in order to better align each  
 15 institution with the minimum postsecondary education funding formula  
 16 implementation rate. Monies in the fund shall be used to calculate a minimum  
 17 implementation rate of the postsecondary education funding formula. The Board of  
 18 Regents shall annually establish an allocation of the monies in the fund based on a  
 19 comparison of the postsecondary education funding formula appropriation of each  
 20 institution in the current fiscal year with the projected postsecondary education  
 21 funding formula cost for that institution in the next fiscal year. Monies in the fund  
 22 shall be allocated to the institutions with the lowest implementation rates to bring the  
 23 institutions closer to the minimum implementation rate.

24 §3138.3. Science, Technology, Engineering, and Math (STEM) Upgrade Fund

25 A. There is hereby established as a special fund in the state treasury the  
 26 Science, Technology, Engineering, and Math (STEM) Upgrade Fund, hereafter  
 27 referred to as "the fund". Subject to appropriation of monies into the fund by the  
 28 legislature, the state treasurer is directed to deposit into the fund at the beginning of  
 29 each fiscal year an amount equal to at least five percent of the amount of monies  
 30 deposited into the Workforce and Innovation for a Stronger Economy Fund. Monies

1           in the fund shall be invested in the same manner as monies in the state general fund.  
 2           Interest earned on investment of monies in the fund shall be credited to the fund.  
 3           Unexpended and unencumbered monies in the fund at the end of the fiscal year shall  
 4           remain in the fund.

5                   B. Monies in the fund shall be appropriated to the Board of Regents and  
 6                   allocated as follows:

7                           (1) One million dollars for STEM upgrades at Southern University and  
 8                           Agricultural and Mechanical College.

9                           (2) One million dollars for STEM upgrades at Grambling State University.

10           Section 3. R.S. 39:94(A)(3) and (C)(4)(b) are hereby amended and reenacted and  
 11           Subpart A of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised  
 12           Statutes of 1950, comprised of R.S. 39:91, is hereby enacted to read as follows:

13                                   SUBPART A. DEEPWATER HORIZON ECONOMIC

14   DAMAGES COLLECTION FUND

15                   §91. Deepwater Horizon Economic Damages Collection Fund

16                           A. There shall be established in the state treasury as a special permanent trust  
 17                           fund named the Deepwater Horizon Economic Damages Collection Fund. After  
 18                           allocation of money to the Bond Security and Redemption Fund as provided in  
 19                           Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit  
 20                           in and credit to the Deepwater Horizon Economic Damages Collection Fund  
 21                           proceeds of the settlement, judgment, or final disposition of the state's economic  
 22                           damages claims asserted in State of Louisiana v. BP Exploration & Production, et  
 23                           al., MDL NO. 2179 (E.D.LA. pending) (hereinafter "DWH litigation") to recover  
 24                           economic damages sustained by the state from the Deepwater Horizon explosion and  
 25                           oil spill that occurred on or about April 20, 2010, at the MC 252 site in the Gulf of  
 26                           Mexico.

27                           B. Within thirty days of each receipt of economic damages proceeds from  
 28                           the DWH litigation, the treasurer shall make the following deposits:

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.



1 (b) Notwithstanding any provision of this Section to the contrary, except  
 2 pursuant to a specific appropriation by the legislature or the annual deposit required  
 3 by Paragraph (A)(3) of this Section, no appropriation or deposit to the fund shall be  
 4 made in the same fiscal year as an appropriation, use or withdrawal is made from the  
 5 fund or until such time as the official forecast exceeds the actual collections of state  
 6 general fund (direct) revenue for Fiscal Year 2008. The provisions of this  
 7 Subparagraph shall be null, void, and of no effect on July 1, ~~2015-2017~~.

8 Section 4. R.S. 47:302.2(C)(1)(b), 332.6(B), and 1676(E) are hereby amended and  
 9 reenacted to read as follows:

10 §302.2. Disposition of certain collections in the city of Shreveport

11 \* \* \*

12 C. Subject to an annual appropriation by the legislature, monies in the fund  
 13 shall be used as follows:

14 (1) For allocation from all monies in the fund in the following amounts:

15 \* \* \*

16 (b) ~~Three~~ One and one-half percent for African-American Multi-Cultural  
 17 Tourism Commission and one and one-half percent for the Shreveport Bossier  
 18 African American Chamber of Commerce.

19 \* \* \*

20 §332.6. Disposition of certain collections in the city of Shreveport

21 \* \* \*

22 B. The monies in the Shreveport Riverfront and Convention Center and  
 23 Independence Stadium Fund shall be subject to an annual appropriation by the  
 24 legislature. The monies in the fund shall be available exclusively for the purposes  
 25 provided in R.S. 47:302.2(C) and (D). However, ~~forty~~ forty-seven thousand dollars  
 26 of the monies deposited in the fund shall be allocated annually to Pamoja Art Society  
 27 for African-American cultural activities in Shreveport, fifty thousand dollars of the  
 28 monies deposited into the fund shall be allocated annually to The Shreveport  
 29 Multicultural Center, Inc., and fifteen thousand dollars of the monies deposited in the  
 30 fund shall be allocated annually to the Rho Omega and Friends, Inc., for the Let the

1 Good Times Roll Festival. All unexpended and unencumbered monies in the fund  
 2 shall remain in the fund. The monies in the fund shall be invested by the treasurer in  
 3 the same manner as the monies in the state general fund, and all interest earned shall  
 4 be deposited in the state general fund.

5 \* \* \*

6 §1676. Debt recovery

7 \* \* \*

8 E.(1) The office shall charge the debtor a fee not to exceed twenty-five  
 9 percent of the total liability of debt which has become final after the initial effective  
 10 date of this Section. The amount of the fee shall be established by rule promulgated  
 11 by the department and shall be uniformly applied to all debts. Fees collected under  
 12 this Subsection shall be retained by the office after the debt is collected and shall be  
 13 divided in accordance with an agreement between the office and the office of the  
 14 attorney general after payment of costs set forth in the agreement. Monies collected  
 15 by the office pursuant to the provisions of this Section shall be transferred to the  
 16 ~~referring agency within thirty days after the end of the month in which the monies~~  
 17 ~~were collected~~ Debt Recovery Fund and shall be used by ~~such~~ the referring agency  
 18 as they would have been had they been timely collected. However, any monies  
 19 collected for delinquent debt as a result of nonpayment of tax liabilities pursuant to  
 20 Title 47 of the Louisiana Revised Statutes of 1950, as amended, after deposit into the  
 21 state general fund, the first five million dollars shall be appropriated by the  
 22 legislature beginning in Fiscal Year 2013-2014, and for four consecutive fiscal years  
 23 thereafter, to the office of state police for a training academy class.

24 (2) The Debt Recovery Fund, hereinafter referred to as the "fund", is hereby  
 25 created in the state treasury. Monies, other than the fees charged to a debtor under  
 26 Paragraph (1) of this Subsection, which are for the collection of delinquent debt  
 27 owed to a referring agency pursuant to the provisions of R.S. 47:1676 et seq., shall  
 28 be deposited into the fund. Monies in the fund shall be invested in the same manner  
 29 as monies in the state general fund. After satisfying all warrants drawn upon the





1           (14) One Hundred Eighty-Seven Dollars from the Medical and Allied Health  
2 Professional Education Scholarship and Loan Fund.

3           (15) Four Hundred Nine Thousand One Hundred Forty-Four Dollars from the Small  
4 Business Surety Bonding Fund.

5           (16) One Million Five Hundred Forty-Four Thousand Forty-Six Dollars from the  
6 Two Percent Fire Insurance Fund.

7           (17) One Hundred Eleven Dollars from the UNO Slidell Technology Park Fund.

8           (18) Nineteen Thousand Eight Hundred Ninety-Two Dollars from the Variable  
9 Earnings Transaction Fund.

10          (19) Twelve Million Five Hundred Seventy Thousand Four Hundred Twenty-Six  
11 Dollars from the Payments Towards the UAL Fund.

12          (20) Eighteen Million Six Hundred Thousand Dollars from the Riverboat Gaming  
13 Enforcement Fund.

14          (B) Notwithstanding any provision of law to the contrary, the Louisiana Housing  
15 Finance Agency or its successor is hereby authorized and directed to deposit into the state  
16 treasury the unrestricted or unencumbered fund assets of Twenty-Five Million Dollars. The  
17 state treasurer is hereby authorized and directed to transfer the funds to the Overcollections  
18 Fund as nonrecurring revenues.

19          (C) Notwithstanding any provision of the law to the contrary, the state treasurer is  
20 hereby authorized and directed to transfer no less than Thirty-Four Million Dollars from the  
21 Self-Insurance Fund to the Overcollections Fund.

22          (D) Notwithstanding any provision of law to the contrary, the state treasurer is  
23 hereby authorized and directed to transfer at least Thirty-Nine Million Nine Hundred  
24 Thousand Dollars from the Division of Administration to the Overcollections Fund.

25          (E) Notwithstanding any provision of law to the contrary, the Louisiana Property  
26 Assistance Agency is hereby authorized and directed to deposit into the state treasury the  
27 unrestricted or unencumbered balance of Three Million Seven Hundred Thousand Dollars.  
28 The state treasurer is hereby authorized and directed to transfer the funds to the  
29 Overcollections Fund.

1 (F) Notwithstanding any provision of law to the contrary, the office of aircraft  
2 services is hereby authorized and directed to deposit into the state treasury the unrestricted  
3 or unencumbered balance of Two Hundred Fifty Thousand Dollars. The state treasurer is  
4 hereby authorized and directed to transfer the funds to the Overcollections Fund.

5 (G) Notwithstanding any laws to the contrary, the treasurer is hereby authorized and  
6 directed to transfer to the Overcollections Fund the interest portion due to the state from the  
7 recovery of funds expended out of the Motor Fuels Underground Storage Tank Trust Fund  
8 on behalf of an owner who was not an eligible participant.

9 (H) Notwithstanding any provision of law to the contrary, the state treasurer shall  
10 transfer to the Overcollections Fund all cash balances from unexpended and unencumbered  
11 state general fund appropriations which are subject to remission to the state treasury under  
12 the provisions of R.S. 39:82 and 352 at the end of Fiscal Year 2013-2014.

13 (I) Upon cessation of the Louisiana Health Plan board by March 1, 2016 per R.S.  
14 22:1205(C)(7) and notwithstanding the provisions of R.S. 51:2365(E), the state treasurer is  
15 hereby authorized and directed to transfer the excess High Risk Pool Funds to the Louisiana  
16 Mega-Project Development Fund.

17 (J) Notwithstanding any laws to the contrary, the treasurer is hereby authorized and  
18 directed to transfer the balance of the Overcollections Fund Program Participation Savings  
19 Account to the Louisiana Medical Assistance Trust Fund.

20 (K) Notwithstanding any provision of law to the contrary, the state treasurer is  
21 authorized and directed to transfer Twenty Million Dollars from the Louisiana Mega-project  
22 Development Fund to the Rapid Response Fund.

23 (L) The state treasurer is hereby authorized and directed to move any funds  
24 identified by the commissioner of administration from the implementation of the plan by  
25 Alvarez and Marsal to the Overcollections Fund to effectuate the preamble language  
26 contained in Act 15 of the 2014 Regular Session of the Legislature, subject to approval by  
27 the Joint Legislative Committee on the Budget.

28 (M) Notwithstanding any provision of law to the contrary, the Louisiana Lottery  
29 Corporation or its successor is hereby authorized and directed to deposit into the state treasury  
30 the unrestricted or unencumbered fund assets of Nine Million Dollars. The state treasurer

1 is hereby authorized and directed to transfer the funds to the Louisiana Mega-Project  
 2 Development Fund.

3 Section 6. The state treasurer is authorized and directed to transfer the nonrecurring  
 4 revenues within the Overcollections Fund in the following order:

5 (1) The amount appropriated out of the Overcollections Fund out of nonrecurring  
 6 revenues for the supplemental payment of debt defeasance, not to exceed Thirty-Seven  
 7 Million Two Thousand One Hundred Twenty-Four Dollars (\$37,002,124).

8 (2) Second, the treasurer shall transfer the amount appropriated out of the  
 9 Overcollections Fund out of nonrecurring revenues for the supplemental payment of the  
 10 unfunded accrued liability of the Louisiana State Employees' Retirement System and the  
 11 Teachers' Retirement System of Louisiana, not to exceed Six Million Dollars (\$6,000,000).

12 (3) Third, the treasurer shall transfer the next Twenty-Five Million Dollars  
 13 (\$25,000,000) to the Budget Stabilization Fund.

14 (4) Fourth, the treasurer shall transfer the next Eleven Million Dollars (\$11,000,000)  
 15 to the Workforce and Innovation for a Stronger Economy Fund. Any specific legislative  
 16 allocations to postsecondary education institutions from the WISE Fund shall not preclude  
 17 any postsecondary education institutions from receiving additional monies from the WISE  
 18 Fund.

19 (5) Five percent of any remaining nonrecurring revenues within the Overcollections  
 20 Fund shall be available for appropriation to the unfunded accrued liability of the Louisiana  
 21 State Employees' Retirement System and the Teachers' Retirement System of Louisiana.

22 Section 7. Notwithstanding any provision of the law to the contrary, the state  
 23 treasurer is hereby authorized and directed to transfer Forty-Four Million Four Hundred  
 24 Thousand Dollars of Fees and Self-Generated Revenues collected by the Department of  
 25 Revenue to the 2013 Amnesty Collections Fund.

26 Section 8. Notwithstanding any provision of law to the contrary, the state treasurer  
 27 shall not include unexpended and unencumbered monies in the Rapid Response Fund at the  
 28 end of the 2013-2014 Fiscal Year in the determination of the unencumbered balance of the  
 29 fund for purposes of determining the amount to be deposited into the fund at the beginning  
 30 of the fiscal year pursuant to R.S. 51:2361(A)(2).

1           Section 9.(A) Notwithstanding any provision of law to the contrary, the state  
2 hospitals, or its successor state agencies, are hereby authorized and directed to deposit into  
3 the state general fund all receipts of lease payments for the lease of state hospital buildings  
4 and equipment as recognized by the Revenue Estimating Conference.

5           (B) After satisfying the requirements of the Bond Security and Redemption Fund  
6 as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the state treasurer  
7 is hereby authorized and directed to transfer all loan payments received from political  
8 subdivisions, under Section 7 of Act No. 41 of the 2006 First Extraordinary Session of the  
9 Legislature, to the state general fund as recognized by the Revenue Estimating Conference.

10          (C) After satisfying the requirements of the Bond Security and Redemption Fund  
11 as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the state treasurer  
12 is hereby authorized and directed to transfer to the state general fund all LA1 toll receipts  
13 received in reimbursement of the LA1 loan payment as recognized by the Revenue  
14 Estimating Conference.

15          Section 10.(A) Notwithstanding any laws to the contrary, the treasurer is hereby  
16 authorized and directed to transfer to the Overcollections Fund the amount of nonrecurring  
17 revenues from increased net state tax receipts realized from the implementation of additional  
18 fraud initiatives.

19          (B) Notwithstanding any provision of law to the contrary, the treasurer is hereby  
20 authorized and directed to transfer to the Overcollections Fund the amount of nonrecurring  
21 state funds identified by the Department of Revenue as collected from debt recovery efforts  
22 of the office of debt recovery established in Act No. 399 of the 2013 Regular Session of the  
23 Legislature.

24          (C) The state treasurer is authorized and directed to transfer any balances remaining  
25 in the Small Business Surety Bonding Fund repealed and abolished in this Act to the  
26 Overcollections Fund.

27          (D) The state treasurer is authorized and directed to transfer any balances remaining  
28 in the Louisiana Filmmakers Grant fund repealed and abolished in this Act to the Louisiana  
29 Economic Development Fund.

30          Section 11. R.S. 47:6007(C)(7) and R.S. 51:942(I)(2) are hereby repealed.

1           Section 12. R.S. 46:2691(A)and the introductory paragraph of (B)(1) and 2731(B)  
 2 and (E)(1) are hereby amended and reenacted to read as follows:

3           §2691. Medicaid Trust Fund for the Elderly

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

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

12           (b) As provided in R.S. 39:91, a portion of the proceeds of the settlement,  
 13 judgment, or final disposition of the state's economic damages claims asserted in  
 14 State of Louisiana v. BP Exploration & Production, et al., MDL NO. 2179 (E.D.LA.  
 15 pending) to recover economic damages sustained by the state from the Deepwater  
 16 Horizon explosion and oil spill that occurred on or about April 20, 2010, at the MC  
 17 252 site in the Gulf of Mexico, not to exceed seven hundred million dollars, except  
 18 when the terms and conditions stipulated in the settlement or judgment require  
 19 otherwise. Deposits into the fund from such proceeds received by the state  
 20 associated with the Deepwater Horizon oil spill shall cease when either of the  
 21 following occurs:

22           (i) An amount not to exceed seven hundred million dollars has been  
 23 deposited into the fund.

24           (ii) The full amount of the monies available as provided for in this  
 25 Subparagraph has been deposited into the fund.

26           (2) Monies in the fund shall be invested by the treasurer in the manner  
 27 hereinafter provided. All unencumbered and unexpended monies in the fund at the  
 28 end of the fiscal year shall remain in the fund.



1 Children's Health Insurance Program (LaCHIP), or amounts appropriated for services  
 2 provided by home and community based healthcare providers utilized by the  
 3 developmentally disabled below the amounts of state general fund appropriations for  
 4 those programs for the 2001-2002 Fiscal Year.

5 \* \* \*

6 Section 13. Sections 1, 2, 5, 6, 7, 13, and 14 of this Act shall become effective upon  
 7 signature of the governor, or if not signed by the governor, upon expiration of the time for  
 8 bills to become law without signature by the governor, as provided by Article III, Section  
 9 18 of the Constitution of Louisiana.

10 Section 14. Sections 3, 4, and 8 through 12 of this Act shall become effective on July  
 11 1, 2014.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_