

2015 Regular Session

SENATE BILL NO. 122

BY SENATOR ADLEY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING. Provides for an increase in the base amount of mineral revenues state receives prior to annual deposit into the Budget Stabilization Fund. (2/3-CA7s10.3(A)(2)(b)) (gov sig)

1 AN ACT

2 To amend and reenact the introductory paragraph of R.S. 39:94(A)(2)(a), relative to the
3 Budget Stabilization Fund; to provide for an increase in the base amount of mineral
4 revenues received by the state prior to the annual deposit into the Budget
5 Stabilization Fund; to provide for an effective date; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. The introductory paragraph of R.S. 39:94(A)(2)(a) is hereby amended and
9 reenacted to read as follows:

10 §94. Budget Stabilization Fund

11 A.

12 * * *

13 (2)(a) All revenues received in each fiscal year by the state in excess of ~~eight~~
14 **nine** hundred fifty million dollars, hereinafter referred to as the "base," as a result of
15 the production of or exploration for minerals, hereinafter referred to as "mineral
16 revenues," including severance taxes, royalty payments, bonus payments, or rentals,
17 and excluding such revenues designated as nonrecurring pursuant to Article VII,

1 Section 10(B) of the Constitution of Louisiana, any such revenues received by the
 2 state as a result of grants or donations when the terms or conditions thereof require
 3 otherwise and revenues derived from any tax on the transportation of minerals, shall
 4 be deposited in the fund after the following allocations of said mineral revenues have
 5 been made:

6 * * *

7 Section 2. This Act shall become effective upon signature by the governor or, if not
 8 signed by the governor, upon expiration of the time for bills to become law without signature
 9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 10 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 11 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Jay R. Lueckel.

DIGEST

SB 122 Original 2015 Regular Session Adley

Present constitution in Article VII, Section 10.3 and present law establish the Budget
 Stabilization Fund in the state treasury. It provides that monies shall be deposited into the
 fund as follows:

- (1) All money available for appropriation from the state general fund and dedicated
 funds in excess of the expenditure limit (excluding severance and royalty payments
 to eligible local governments).
- (2) All revenues received in each fiscal year by the state in excess of \$850 million
 (originally \$750 million), referred to as the base, as a result of recurring mineral
 revenues, any revenues received by the state as a result of grants or donations, and
 revenues derived from any tax on the transportation of minerals.

Present constitution and present law provide that the base may be increased every ten years
 beginning in the year 2000 by a law enacted by a two-thirds vote of the elected members of
 each house of the legislature. Such increase shall not exceed 50% in the aggregate of the
 increase in the consumer price index for the immediately preceding ten years. The original
 constitutional amount of \$750 million was changed to \$850 million in 2004 as provided by
 law.

Proposed law retains present law but increases the base from \$850 million to \$950 million;
 requires a two-thirds vote of the elected members of each house of the legislature.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 39:94(A)(2)(a)(intro para))