

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)) (See Act)

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 take effect and become operative if and when the Act
 8 which originated as Senate Bill 221 of this 2015 Regular Session of the Legislature is
 9 enacted into law and becomes effective.

The original instrument was prepared by Jay Lueckel. The following digest,
 which does not constitute a part of the legislative instrument, was prepared
 by Ann S. Brown.

	DIGEST	
SB 122 Reengrossed	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 if and when SB 221 of the 2015 Regular Session providing for sales tax revenues deposits into the Transportation Trust Fund and an infrastructure bank is enacted and becomes effective.

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

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Conditions the effective date of this Act upon the enactment and effectiveness of SB 221 of the 2015 Regular Session.