SLS 16RS-185

ORIGINAL

2016 Regular Session

SENATE BILL NO. 155

BY SENATOR CLAITOR

FUNDS/FUNDING. Provides for the allocation for a portion of the economic damages proceeds from the Deepwater Horizon event. (7/1/16)

1	AN ACT	
2	To amend and reenact R.S. $39:91(B)(1)$ and (2) and $(C)(2)(a)$ and to enact R.S. $39:91(B)(4)$,	
3	relative to the deposit of certain funds into the Deepwater Horizon Economic	
4	Damages Collection Fund; to provide for the allocation of a certain portion of the	
5	funds; to provide for the use of such monies; to provide for an effective date; and to	
6	provide for related matters.	
7	Be it enacted by the Legislature of Louisiana:	
8	Section 1. R.S. 39:91(B)(1) and (2) and (C)(2)(a) are hereby amended and reenacted	
9	and R.S. 39:91(B)(4) is hereby enacted to read as follows:	
10	§91. Deepwater Horizon Economic Damages Collection Fund	
11	* * *	
12	B. All economic damages proceeds from the DWH litigation in excess of the	
13	first two hundred million dollars deposited in the Fiscal Year 2015-2016 Deficit	
14	Elimination Fund shall be deposited by the treasurer as follows:	
15	(1) Forty-five Forty percent of each such receipt of economic damages	
16	proceeds to the Budget Stabilization Fund until that fund reaches the amount	
17	statutorily mandated by R.S. 39:94.	

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	(2) Forty-five Forty percent of each such receipt of economic damages	
2	proceeds to the Medicaid Trust Fund for the Elderly provided for in R.S. 46:2691	
3	until an amount not to exceed seven hundred million dollars has been deposited into	
4	such fund.	
5	* * *	
6	(4) Ten percent of each such receipt of economic damages proceeds shall	
7	be allocated and distributed to the Board of Regents as provided in Paragraph	
8	(C)(2) of this Section.	
9	С.	
10	* * *	
11	(2)(a) Appropriations from the Deepwater Horizon Economic Damages	
12	Collection Fund shall be limited to an annual amount not to exceed derived from	
13	the receipts of proceeds as provided in Paragraph (B)(4) of this Section and the	
14	estimated aggregate annual earnings from interest earned on the investment of	
15	monies in the fund and shall be made to the Board of Regents to be equitably	
16	allocated to public postsecondary education institutions in the state in accordance	
17	with Article VIII, Section 5(D)(4) of the Constitution of Louisiana. The board may	
18	also distribute such appropriations to independent institutions for higher learning in	
19	accordance with R.S. 17:2053.	
20	* * *	
21	Section 2. This Act shall become effective on July 1, 2016; if vetoed by the governor	
22	and subsequently approved by the legislature, this Act shall become effective on July 1,	
23	2016, or on the day following such approval by the legislature, whichever is later.	

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

	DIGEST	
SB 155 Original	2016 Regular Session	Claitor

<u>Present law</u> provides that all economic damages proceeds from the DWH litigation in excess of the first two hundred million dollars deposited in the Fiscal Year 2015-2016 Deficit Elimination Fund shall be deposited by the treasurer as follows:

(1) 45% of each such receipt of economic damages proceeds to the Budget Stabilization

Page 2 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions. Fund until that fund reaches the amount statutorily mandated by law.

- (2) 45% of each such receipt of economic damages proceeds to the Medicaid Trust Fund for the Elderly until an amount not to exceed \$700 million has been deposited into such fund.
- (3) 10% of each such receipt of economic damages proceeds to the Health Trust Fund until an amount not to exceed \$30 million has been deposited into such fund.

<u>Proposed law</u> retains <u>present law</u> but reduces each of the allocations of the Budget Stabilization Fund and the Medicaid Trust Fund for the Elderly from 45% to 40%. Further provides that 10% shall be allocated and distributed to the Board of Regents.

<u>Present law</u> provides that appropriations from the Deepwater Horizon Economic Damages Collection Fund shall be limited to an annual amount not to exceed the estimated aggregate annual earnings from interest earned on the investment of monies in the fund and shall be made to the Board of Regents to be equitably allocated to public postsecondary education institutions in the state in accordance with the constitutionally mandated master plan and the distribution formula. Further provides that the board may also distribute such appropriations to independent institutions for higher learning in accordance with R.S. 17:2053.

<u>Proposed law</u> retains provisions of <u>present law</u> relative to the appropriation of interest earnings but deletes provisions authorizing the Board of Regents to distribute appropriations to independent institutions for higher learning. Further, specifies that appropriations for public postsecondary education institutions shall include the 10% of each receipt of the economic damages proceeds, as well as the estimated aggregate annual interest earnings on the fund to be equitably allocated to public postsecondary education institutions in the state in accordance with the constitutionally mandated master plan and the distribution formula.

Effective July 1, 2016.

(Amends R.S. 39:91(B)(1) and (2) and (C)(2)(a); adds R.S. 39:91(B)(4))