

2016 Regular Session

SENATE BILL NO. 305

BY SENATOR DONAHUE

FUNDS/FUNDING. Creates the Fund Review Commission to review dedicated funds which receive state general funds. (gov sig)

1 AN ACT

2 To enact R.S. 49:308.7, relative to the review of certain special treasury funds; to create the
3 Fund Review Commission and provide for the membership, powers, duties, and
4 functions of the commission; to provide for staff to support the commission; to
5 provide for recommendations of the commission; to provide for the disposition of
6 the special treasury funds reviewed; to provide for an effective date; and to provide
7 for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 49:308.7 is hereby enacted to read as follows:

10 **§308.7. Fund Review Commission; creation; powers, duties, and functions**

11 **A.(1) State general funds are the main source of state monies supporting**
12 **state operations. With the growth of dedicated funds over the past decade,**
13 **portions of the revenues that would otherwise flow into the state general fund**
14 **have been diverted to special treasury funds for specifically dedicated purposes.**
15 **Additionally, it is important to know how all of the funds relate to the taxes,**
16 **licences and fees from which the state receives the majority of its money. To**
17 **determine whether all these funds are producing the results that were originally**

1 intended, or if some consolidation, or elimination of funds is needed as the state
2 moves into the future, requires a focused study by elected officials familiar with
3 fiscal matters, as well as nonpublic groups that represent a wide range of
4 business and public interest perspectives.

5 (2) There is established the Funds Review Commission, hereinafter
6 referred to as the "Commission", to examine all constitutional and statutorily
7 dedicated funds which receive general fund dollars as well as any other special
8 treasury funds identified by the commission to determine:

9 (a) If such funds are performing the purpose for which they were
10 established.

11 (b) If such funds should be reconfigured with other special treasury
12 funds to better serve their purpose for the state.

13 (c) If such funds should be eliminated.

14 (3) The commission is established as of the effective date of this Act.

15 B. The commission shall be composed of nine members as follows:

16 (1) The chairman of the Senate Committee on Finance, or his designee.

17 (2) The chairman of the House Committee on Appropriations, or his
18 designee.

19 (3) The chairman of the Senate Committee on Revenue and Fiscal
20 Affairs, or his designee.

21 (4) The chairman of the House Committee on Ways and Means, or his
22 designee.

23 (5) Two members appointed by the governor.

24 (6) A representative of the Public Affairs Council.

25 (7) A representative of the Council for a Better Louisiana.

26 (8) A representative of the Louisiana Association of Business and
27 Industry.

28 C. The commission may hold public hearings as part of its evaluation
29 process, and may request the assistance of advisory groups to conduct studies,

1 research or analyses, and make reports and recommendations with respect to
2 the subject matter of the commission.

3 D.(1) The president of the Senate shall call the first meeting of the
4 commission which shall be held on or before July 30, 2016.

5 (2) At the first meeting, the members of the commission shall elect from
6 their membership a chairman, who shall be an elected official, and a vice
7 chairman. The chairman of the Senate Committee on Finance, or his designee,
8 shall preside over the commission until a chairman is elected by the commission.

9 E.(1) The Fund Review Commission shall report to the governor,
10 president of the Senate, and speaker of the House of Representatives no later
11 than February 1, 2017.

12 (2) Executive and legislative action may be necessary to implement the
13 recommendations approved by the commission. Therefore, it is recommended
14 that follow-up meetings be held by subject matter committees in both houses of
15 the legislature to develop potential legislation regarding the funds.

16 F.(1) The staffs of the Senate, House of Representatives, legislative fiscal
17 office, legislative auditor, office of the governor, and division of administration
18 may provide staff support and otherwise assist the commission as requested by
19 the commission. The commission may submit a written request to the president
20 of the Senate, the speaker of the House of Representatives, the legislative fiscal
21 officer, the legislative auditor, or the commissioner of administration, for
22 specific support and assistance to be provided by the staffs of their respective
23 agencies.

24 (2) Each agency and political subdivision shall furnish aid, services, and
25 assistance as may be requested by the commission.

26 G. The commission shall become null and of no effect on March 1, 2017.

27 Section 2. This Act shall become effective upon signature by the governor or, if not
28 signed by the governor, upon expiration of the time for bills to become law without signature
29 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 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 305 Original 2016 Regular Session Donahue

Proposed law establishes the Funds Review on the effective date of proposed law to examine all constitutional and statutorily dedicated funds which receive general fund dollars as well as any other special treasury funds identified by the commission to determine:

- (1) If such funds are performing the purpose for which they were established.
- (2) If such funds should be reconfigured with other special treasury funds to better serve their purpose for the state.
- (3) If such funds should be eliminated.

Proposed law provides that the commission shall be composed of nine members as follows:

- (1) The chairman of the Senate Committee on Finance, or his designee.
- (2) The chairman of the House Committee on Appropriations, or his designee.
- (3) The chairman of the Senate Committee on Revenue and Fiscal Affairs, or his designee.
- (4) The chairman of the House Committee on Ways and Means, or his designee.
- (5) Two members appointed by the governor.
- (6) A representative of the Public Affairs Council.
- (7) A representative of the Council for a Better Louisiana.
- (8) A representative of the Louisiana Association of Business and Industry.

Proposed law provides that the commission may hold public hearings as part of its evaluation process, and may request the assistance of advisory groups to conduct studies, research or analyses, and make reports and recommendations with respect to the subject matter of the commission.

Proposed law provides for meetings and officers of the commissions.

Proposed law provides that the Fund Review Commission shall report to the governor, president of the Senate, and speaker of the House of Representatives no later than February 1, 2017.

Proposed law provides for staff assistance by legislative and agency personnel.

Proposed law provides that the commission shall become null and of no effect on March 1, 2017.

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

(Adds R.S. 49:308.7)