

SENATE BILL NO. 259

BY SENATOR ADLEY

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AN ACT

To amend and reenact the introductory paragraph of R.S. 39:94(A), the introductory paragraph of (A)(2)(a) and (b), and 97(B) and to enact R.S. 39:94(A)(2)(c), relative to special treasury funds; to rename the Budget Stabilization Fund the Budget and Transportation Stabilization Trust and to provide for its purposes; to provide for increases to the base every five years; to create the Budget Stabilization Subfund and the Transportation Stabilization Subfund in the Budget and Transportation Stabilization Trust; to provide for the deposit of certain excess mineral revenues into the Budget Stabilization Subfund and the Transportation Stabilization Subfund; to provide for the uses of monies deposited into the funds; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. The introductory paragraph of R.S. 39:94(A), the introductory paragraph of (A)(2)(a) and (b), and 97(B) are hereby amended and reenacted and R.S. 39:94(A)(2)(c) is hereby enacted to read as follows:

§94. Budget **and Transportation** Stabilization ~~Fund~~ **Trust**

A. There is hereby created in the state treasury a special fund to be designated as the Budget **and Transportation** Stabilization ~~Fund~~ **Trust**, hereafter referred to in this Section as the "fund", which shall consist of all money deposited into the fund in accordance with Article VII, Section 10.3 of the Constitution of Louisiana. Money shall be deposited in the fund as follows:

* * *

(2)(a) All revenues received in each fiscal year by the state in excess of eight hundred fifty million dollars, hereinafter referred to as the "base," as a result of the production of or exploration for minerals, hereinafter referred to as "mineral revenues," including severance taxes, royalty payments, bonus payments, or rentals,

1 and excluding such revenues designated as nonrecurring pursuant to Article VII,
2 Section 10(B) of the Constitution of Louisiana, any such revenues received by the
3 state as a result of grants or donations when the terms or conditions thereof require
4 otherwise and revenues derived from any tax on the transportation of minerals, shall
5 be deposited in the fund **in accordance with Subparagraph (c) of this Paragraph**
6 after the following allocations of said mineral revenues have been made:

7 * * *

8 (b) The base may be increased every ~~ten~~ **five** years beginning in the year
9 2014 by a law enacted by two-thirds of the elected members of each house of the
10 legislature. Any such increase shall not exceed fifty percent in the aggregate of the
11 increase in the consumer price index for the immediately preceding ten years.

12 **(c) At the beginning of each fiscal year, the monies in the Budget and**
13 **Transportation Stabilization Trust as provided in Subparagraph (a) of this**
14 **Paragraph shall be allocated and deposited into the Budget Stabilization**
15 **Subfund which is hereby established in the Budget and Transportation**
16 **Stabilization Trust as a special subfund, and into the Transportation**
17 **Stabilization Subfund which is hereby established in the Budget and**
18 **Transportation Stabilization Trust as a special subfund, as follows:**

19 **(i) Beginning in Fiscal Year 2015-2016, mineral revenues in excess of the**
20 **base shall be deposited in the Budget Stabilization Subfund until the balance in**
21 **the fund equals and shall be maintained in the amount of five hundred million**
22 **dollars.**

23 **(ii) Once the balance in the Budget Stabilization Subfund equals five**
24 **hundred million dollars, mineral revenues shall be deposited into the**
25 **Transportation Stabilization Subfund at the beginning of the next fiscal year**
26 **until the balance in the Transportation Stabilization Subfund equals and shall**
27 **be maintained in the amount of five hundred million dollars. Thereafter, any**
28 **excess mineral revenues shall be deposited into the state general fund. The**
29 **legislature may appropriate additional monies into either the Budget**
30 **Stabilization Subfund or the Transportation Stabilization Subfund. Monies in**

1 the Transportation Stabilization Subfund shall be appropriated by the
 2 legislature and used solely and exclusively for planning, design, construction,
 3 and maintenance connected with the state highway program, provided that an
 4 amount not less than twenty percent of funds appropriated by the legislature
 5 from the Transportation Stabilization Subfund pursuant to this Item shall be
 6 used solely and exclusively for the Louisiana Intermodal Connector Program
 7 within the Department of Transportation and Development.

8 (iii) No deposit of mineral revenues shall be made as provided in Items
 9 (i) and (ii) of this Subparagraph in any fiscal year in which money in the fund
 10 is appropriated for use or incorporated into the official forecast as provided in
 11 Paragraphs (C)(1) or (2) of this Section or in the ensuing fiscal year, except by
 12 specific appropriation by the legislature.

13 * * *

14 §97. Mineral Revenue Audit and Settlement Fund

15 * * *

16 B. After making the allocations provided for in Subsection A of this Section,
 17 the treasurer shall then deposit in and credit to the Mineral Revenue Audit and
 18 Settlement Fund any such remaining revenues. Any revenues deposited in and
 19 credited to the fund shall be considered mineral revenues from severance taxes,
 20 royalty payments, bonus payments, or rentals for purposes of determining deposits
 21 and credits to be made in and to the Wetlands Conservation and Restoration Fund as
 22 provided in Article VII, Section 10.2 of the Constitution of Louisiana. Any revenues
 23 deposited in and credited to the fund shall not be considered mineral revenues for
 24 purposes of the Budget and Transportation Stabilization Fund Trust as provided
 25 in Article VII, Section 10.3 of the Constitution of Louisiana. Money in the fund shall
 26 be invested as provided by law. The earnings realized in each fiscal year on the
 27 investment of monies in the Mineral Revenue Audit and Settlement Fund shall be
 28 deposited in and credited to the Mineral Revenue Audit and Settlement Fund.

29 * * *

30 Section 3. This Act shall take effect and become operative if and when the proposed

1 amendment of Article VII, Sections 10.3 and 27 of the Constitution of Louisiana contained
2 in the Act which originated as Senate Bill No. 202 of this 2015 Regular Session of the
3 Legislature is adopted at a statewide election to be held on October 24, 2015, and becomes
4 effective.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____