Regular Session, 2012

HOUSE BILL NO. 548

BY REPRESENTATIVE GEYMANN

BUDGETARY CONTROLS: (Constitutional Amendment) Prohibits appropriations of dedicated funds in excess of the official forecast and defines nonrecurring money

1	A JOINT RESOLUTION
2	Proposing to amend Article VII, Section 10(B) and (E) and to add Article VII, Section 10
3	(D)(4) of the Constitution of Louisiana, relative to the expenditure of state funds; to
4	provide for the recognition of dedications in the official forecast; to prohibit
5	appropriations from dedicated funds in excess of the official forecast; to provide with
6	respect to nonrecurring money; to provide for submission of the proposed
7	amendment to the electors; and to provide for related matters.
8	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
9	elected to each house concurring, that there shall be submitted to the electors of the state of
10	Louisiana, for their approval or rejection in the manner provided by law, a proposal to
11	amend Article VII, Section 10(B) and (E) and to add Article VII, Section 10(D)(4) of the
12	Constitution of Louisiana, to read as follows:
13	§10. Expenditure of State Funds
14	Section 10.
15	* * *
16	(B) Official Forecast. The conference shall prepare and publish initial and
17	revised estimates of money to be received by the state general fund and each
18	dedicated funds fund for the current and next fiscal years which are available for
19	appropriation. In each estimate, the conference shall designate as either recurring
20	or nonrecurring all of the money in the estimate, including money to be received by

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	each fund. which is recurring and which is nonrecurring. All conference decisions
2	to adopt these estimates shall be by unanimous vote of its members. Changes to the
3	unanimous vote requirement shall be made by law enacted by a favorable vote of <u>at</u>
4	least two-thirds of the elected members of each house. The most recently adopted
5	estimate of money available for appropriation shall be the official forecast. The
6	Revenue Estimating Conference may designate other money as nonrecurring, but
7	shall designate the following as nonrecurring:
8	(a) Money available for appropriation from any special treasury fund when
9	such money was received by the state general fund or a dedicated fund in a previous
10	fiscal year.
11	(b) Money available for appropriation from the state general fund from one
12	time transactions, including but not limited to court settlements, the sale of state
13	facilities, and the privatization of state operations.
14	* * *
15	(D) Appropriations.
16	* * *
17	(4) Except as otherwise provided in this constitution, including Paragraph
18	(F) of this Section, the amount appropriated out of any fund shall not exceed the
19	official forecast by the Revenue Estimating Conference of money available for
20	appropriation from that fund for that fiscal year.
21	* * *
22	(E) Balanced Budget. Appropriations by the legislature from the state
23	general fund and dedicated funds for any fiscal year except funds allocated by
24	Article VII, Section 4, Paragraphs (D) and (E) shall not exceed the official forecast
25	in effect for each fund at the time the appropriations are made.
26	* * *
27	Section 2. Be it further resolved that this proposed amendment shall be submitted
28	to the electors of the state of Louisiana at the statewide election to be held on November 6,
29	2012.

1 Section 3. Be it further resolved that on the official ballot to be used at the election, 2 there shall be printed a proposition, upon which the electors of the state shall be permitted 3 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as 4 follows: 5 Do you support an amendment to prohibit appropriations from any dedicated fund in excess of the amount the Revenue Estimating Conference estimates 6 7 will be available for appropriation from that fund; and to require that the 8 Revenue Estimating Conference review each dedicated fund in addition to 9 the state general fund to determine if its available money is recurring or 10 nonrecurring; and to provide a definition of nonrecurring revenue that 11 includes fund money remaining from previous years and money from one 12 time transactions such as court settlements, the sale of state facilities, or the privatization of state operations? (Amends Article VII, Section 10(B) and 13 14 (E); Adds Article VII, Section 10(D)(4))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Geymann

HB No. 548

Abstract: Prohibits appropriations from dedicated funds in excess of the amounts the Revenue Estimating Conference (REC) has recognized as being available for appropriation by the fund.

<u>Present constitution</u> sets forth requirements relative to the expenditure of state funds and establishes the REC to prepare and publish initial and revised estimates of money to be received by the state general fund and dedicated funds for the current and next fiscal years which are available for appropriation, the most recent of which is called the official forecast. In each estimate, the REC must also designate money as either recurring or non recurring. <u>Proposed constitutional amendment</u> retains this <u>present constitutional</u> provision and specifies that the REC must designate as recurring or nonrecurring all of the money in the estimate including money to be received by each fund and specifically provides that the REC must designate as nonrecurring money available for appropriation from any special treasury fund that was received by the state general fund or a dedicated fund in the previous fiscal year and money from one time transactions such as court settlements, the sale of state facilities, and the privatization of state operations. (Art. VII, §10(B)(1)).

<u>Proposed constitutional amendment</u> also specifies that unless otherwise provided in the constitution, the amount appropriated out of any fund shall not exceed the official forecast of money available for appropriation from that fund. (Art. VII, 10(D)(4) and (E)).

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 6, 2012.

(Amends Const. Art. VII, §10(B) and (E); Adds Const. Art. VII, §10(D)(4))