

Regular Session, 2012

HOUSE BILL NO. 550

BY REPRESENTATIVE GEYMANN

BUDGETARY CONTROLS: Limits the growth in the expenditure limit

1 AN ACT

2 To amend and reenact R.S. 39:33.1(B)(2), relative to the expenditure limit; to limit the
3 growth factor used to determine the expenditure limit; to provide for effectiveness;
4 and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 39:33.1(B)(2) is hereby amended and reenacted to read as follows:

7 §33.1. Determination of expenditure limit

8 * * *

9 B.(1)

10 * * *

11 (2) The growth factor is defined as the average annual percentage rate of
12 change of personal income for Louisiana as defined and reported by the United
13 States Department of Commerce, or its successor agency, for the three calendar years
14 prior to the fiscal year for which the limit is calculated. For Fiscal Year 2013-2014
15 and each fiscal year thereafter, the growth factor shall not exceed six percent.

16 * * *

17 Section 2. This Act shall take effect and become operative if and when the proposed
18 amendment of Article VII, Section 10(C)(1) of the Constitution of Louisiana contained in
19 the Act which originated as House Bill No. _____ of this 2012 Regular Session of the
20 Legislature is adopted at a statewide election and becomes effective.

DIGEST

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Geymann

HB No. 550

Abstract: Caps the expenditure limit growth factor at 6%.

Present law provides for an annual expenditure limit and provides that the next fiscal year's limit shall not exceed the expenditure limit for the current fiscal year plus an amount equal to the growth factor if the growth factor is positive.

Proposed law provides that the growth factor shall not exceed 6%.

Effective if and when the proposed amendment of Article VII, Section 10(C)(1) of the Constitution of La. contained in the Act which originated as House Bill No. ___ of this 2012 R.S. is adopted at the statewide election to be held on Nov. 6, 2012, and becomes effective.

(Amends R.S. 39:33.1(B)(2))