

Regular Session, 2012

SENATE BILL NO. 82

BY SENATOR BUFFINGTON

FUNDS/FUNDING. Constitutional amendment to except the Medicaid Trust Fund for the Elderly from certain deficit provisions. (2/3 CA13s1(A))

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A JOINT RESOLUTION

Proposing to add Article VII, Section 10(F)(4)(g) of the Constitution of Louisiana, relative to the expenditure of state funds; to prohibit the limited redirection and transfer of funds from the Medicaid Trust Fund for the Elderly in certain circumstances; and to specify an election for submission of the proposition to electors; and provide a ballot proposition.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state, for their approval or rejection in the manner provided by law, a proposal to add Article VII, Section 10(F)(4)(g) of the Constitution of Louisiana, to read as follows:

ARTICLE VII

§10. Expenditure of State Funds

Section 10.

* * *

(F) Projected Deficit.

* * *

(4) The provisions of Subparagraphs (1) and (2) of this Paragraph shall not

1 be applicable to, nor affect:

2 * * *

3 **(g) The Medicaid Trust Fund for the Elderly created under the**
4 **provisions of R.S. 46:2691 et seq.**

5 * * *

6 Section 2. Be it further resolved that this proposed amendment shall be submitted
7 to the electors of the state of Louisiana at the statewide election to be held on November 6,
8 2012.

9 Section 3. Be it further resolved that on the official ballot to be used at said election
10 there shall be printed a proposition, upon which the electors of the state shall be permitted
11 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
12 follows:

13 Do you support an amendment to prohibit monies in the Medicaid Trust Fund
14 for the Elderly from being used or appropriated for other purposes when
15 adjustments are made to eliminate a state deficit?

16 (Adds Article VII, Section 10(F)(4)(g))

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Martha S. Hess.

DIGEST

Buffington (SB 82)

Present constitution authorizes the legislature to establish a procedure to determine a projected deficit and a method for adjusting appropriations to eliminate the deficit.

Present constitution authorizes the governor, with legislative approval, to reduce up to 5% of appropriations or allocations from the state general fund and dedicated funds in any fiscal year in which a deficit is projected and reductions of at least seven-tenths of 1% in appropriations from the state general fund have already occurred. Further provides that such reductions to the Minimum Foundation Program (MFP) shall be limited to 1% and shall not be applicable to instructional activities.

Present constitution authorizes the legislature to reduce the monies appropriated or allocated for mandatory expenditures or allocations by up to 5%, making those funds available for other, nonmandatory expenditures if the official revenue forecast for the next year is at least 1% less than for the current year.

Present constitution provides that these provisions shall not be applicable to, nor affect (1) the Bond Security and Redemption Fund or any bonds secured thereby, or any other funds pledged as security for bonds or evidences of indebtedness; (2) the severance tax and royalty allocations to parishes (Art. VII, §4(D) and (E)); (3) state retirement contributions; (4) the

Louisiana Education Quality Trust Fund; and (5) the Millennium Trust, except for appropriations from the trust.

Proposed constitution amendment retains present constitution and adds the Medicaid Trust Fund for the Elderly to the list of funds that are exempt from adjustment.

Specifies submission of the amendment to the voters at the statewide election to be held on November 6, 2012.

(Adds Const. Art. VII, Sec. 10(F)(4)(g))