

2021 Regular Session

HOUSE BILL NO. 487

BY REPRESENTATIVE ECHOLS

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A JOINT RESOLUTION

Proposing to amend Article VII, Section 10(F)(2)(a) and (b) of the Constitution of Louisiana, relative to deficit avoidance; to increase the amount of allowable reductions to certain funds when there is a projected deficit; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

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 of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 10(F)(2)(a) and (b) of the Constitution of Louisiana, to read as follows:

ARTICLE VII

§10. Expenditure of State Funds

Section 10.

\* \* \*

(F) Projected Deficit.

\* \* \*

(2)(a) Notwithstanding any other provision of this constitution to the contrary, adjustments to any constitutionally protected or mandated allocations or appropriations, and transfer of monies associated with such adjustments, are authorized when state general fund allocations or appropriations have been reduced in an aggregate amount equal to at least seven-tenths of one percent of the total of such allocations and appropriations for a fiscal year. Such adjustments ~~may~~ shall not exceed ~~five~~ ten percent of the total appropriation or allocation from a fund for the

1 fiscal year. For purposes of this Subsubparagraph, reductions to expenditures  
 2 required by Article VIII, Section 13(B) of this constitution shall not exceed one  
 3 percent and such reductions shall not be applicable to instructional activities included  
 4 within the meaning of instruction pursuant to the Minimum Foundation Program  
 5 formula. Notwithstanding any other provisions of this constitution to the contrary,  
 6 monies transferred as a result of such budget adjustments are deemed available for  
 7 appropriation and expenditure in the year of the transfer from one fund to another,  
 8 but in no event shall the aggregate amount of any transfers exceed the amount of the  
 9 deficit.

10 (b) Notwithstanding any other provision of this constitution to the contrary,  
 11 for the purposes of the budget estimate and enactment of the budget for the next  
 12 fiscal year, when the official forecast of recurring revenues for the next fiscal year  
 13 is at least one percent less than the official forecast for the current fiscal year, the  
 14 following procedure may be employed to avoid a budget deficit in the next fiscal  
 15 year. An amount not to exceed ~~five~~ ten percent of the total appropriations or  
 16 allocations for the current fiscal year from any fund established by law or this  
 17 constitution shall be available for expenditure in the next fiscal year for a purpose  
 18 other than as specifically provided by law or this constitution. For the purposes of  
 19 this Subsubparagraph, an amount not to exceed one percent of the current fiscal year  
 20 appropriation for expenditures required by Article VIII, Section 13(B) of this  
 21 constitution shall be available for expenditures for other purposes in the next fiscal  
 22 year. Notwithstanding any other provisions of this constitution to the contrary,  
 23 monies made available as authorized under this Subsubparagraph may be transferred  
 24 to a fund for which revenues have been forecast to be less than the revenues in the  
 25 current fiscal year for such fund. Monies transferred as a result of the budget actions  
 26 authorized by this Subsubparagraph are deemed available for appropriation and  
 27 expenditure, but in no event shall the aggregate amount of any such transfers exceed  
 28 the amount of the difference between the official forecast for the current fiscal year  
 29 and the next fiscal year.

30 \* \* \*

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1           Section 2. Be it further resolved that this proposed amendment shall be submitted  
2 to the electors of the state of Louisiana at the statewide election to be held on October 9,  
3 2021.

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

8                   Do you support an amendment to increase the amount of allowable deficit  
9 reductions to statutory dedications and constitutionally protected funds from  
10 five percent to ten percent? (Amends Article VII, Section 10(F)(2)(a) and  
11 (b))

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE