

2020 Regular Session

HOUSE BILL NO. 479

BY REPRESENTATIVE IVEY

BUDGETARY CONTROLS: Establishes the State Budget Authority Shortfall Trust for exclusive use by agencies who experience budget shortfalls during the course of the fiscal year

1 AN ACT

2 Proposing to enact Subpart T of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
3 Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:100.147, relative to
4 state funds; to provide for restrictions on appropriations; to establish an appropriation
5 limit; to establish the State Budget Authority Shortfall Trust as a special treasury
6 fund; to provide for the sources and uses of monies in the fund; and to provide for
7 related matters.

8 Section 1. Subpart T of Part II-A of Chapter 1 of Subtitle I of Title 39 of the
9 Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:100.147 is hereby enacted
10 to read as follows:

11 SUBPART T. STATE BUDGET AUTHORITY SHORTFALL TRUST

12 §100.147. State Budget Authority Shortfall Trust

13 A. Effective July 1, 2020, the State Budget Authority Shortfall Trust is
14 hereby established in the state treasury as a special fund, hereinafter referred to as
15 the "trust".

16 B. The monies in the trust shall be invested in the same manner as monies
17 in the state general fund and all interest earned on the investment of the trust shall
18 be deposited in and credited to the trust.

19 C. Appropriation from the trust shall only be made as follows:

1 (1)(a) If an agency has expended all budget authority in a fiscal year,
2 including authority carried forward from the prior fiscal year, in state general fund
3 and interagency transfer means of finance, the agency may apply to the
4 commissioner of administration and the Joint Legislative Committee on the Budget
5 for an increase in budget authority to be funded by a transfer from the trust.

6 (b) The legislature may provide by law for requirements for eligibility for
7 appropriations from the trust pursuant to the provisions of this Section.

8 (2) Any increase in revenues appropriated to an agency pursuant to the
9 provisions of this Paragraph shall be available for allotment and expenditure by an
10 agency on approval of the increase in the agency's appropriation by the
11 commissioner of administration and the Joint Legislative Committee on the Budget.

12 D. All unexpended and unencumbered monies in the trust at the end of the
13 fiscal year shall be recognized as non-recurring revenue by the Revenue Estimating
14 Conference and shall be eligible for appropriation in accordance with the provisions
15 of Article VII, Section 10 of the Constitution of Louisiana.

16 E. Not less than quarterly, the treasurer shall report to the commissioner of
17 administration and the Joint Legislative Committee on the Budget the total amount
18 of funds available for distribution from the trust.

19 F. The source of monies deposited into the fund shall be any money
20 appropriated to the fund.

21 Section 2. The provisions of this Act shall become effective July 1, 2020.

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)]

HB 479 Original

2020 Regular Session

Ivey

Abstract: Creates the State Budget Authority Shortfall Trust to be used in the event that state agencies experience budget shortfalls.

Present law authorizes the Revenue Estimating Conference to adopt an official forecast of state general fund revenues. Further provides that the governor's proposed executive budget may not exceed the official forecast. Proposed law retains present law.

Proposed law authorizes the commissioner of administration acting in concert with the Joint Legislative Committee on the Budget to allocate revenues from the trust to fill budget shortfalls when an agency has spent all of its state general fund and interagency transfer means of finance in a fiscal year. Further authorizes the legislature to provide by law for requirements for eligibility for a budget authority enhancement pursuant to proposed law.

Proposed law provides that unexpended money in the trust at the end of a fiscal year must be recognized as non-recurring revenue by the Revenue Estimating Conference and shall be eligible for appropriation in accordance with present constitution (Art. VII, §10).

Further requires the treasurer to report not less than quarterly to the commissioner of administration and the Joint Legislative Committee on the Budget the total amount of funds available for distribution from the trust.

Proposed law provides the source of funding to be any monies appropriated to the fund.

Effective July 1, 2020.

(Adds R.S. 39:100.147)