

Regular Session, 2013

HOUSE BILL NO. 620

BY REPRESENTATIVE GEYMANN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

BUDGETARY CONTROLS: Provides with respect to the development of the state operating budget

1 AN ACT

2 To amend and reenact R.S. 39:24(A), 34(A), 36(A)(3)(b), 51(A), and 54(A) and to enact  
3 R.S. 24:513(D)(7) and R.S. 39:51(G), relative to the budget process; to provide for  
4 the duties of the legislative auditor; to provide for the official forecast; to provide for  
5 the powers, duties and functions of the Revenue Estimating Conference; to require  
6 certain contents in the executive budget; to provide for requirements of consideration  
7 of certain legislative instruments; to provide for the contents of the General  
8 Appropriation Bill and other appropriation bills; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 24:513(D)(7) is hereby enacted to read as follows:

11 §513. Powers and duties of legislative auditor; audit reports as public records;  
12 assistance and opinions of attorney general; frequency of audits; subpoena  
13 power

14 \* \* \*

15 D. In addition, the legislative auditor shall perform the following duties and  
16 functions:

17 \* \* \*

18 (7) He shall review the executive budget and determine whether the budget  
19 recommends appropriations out of the state general fund and dedicated funds for the

1 next fiscal year for health care and for higher education in amounts less than the  
2 appropriations enacted for each purpose for the current fiscal year.

3 Section 2. R.S. 39:24(A), 34(A), 36(A)(3)(b), 51(A) and 54(A) and hereby amended  
4 and reenacted and R.S. 39:51(G) is hereby enacted to read as follows:

5 §24. Official forecast

6 A. The Revenue Estimating Conference shall establish an official forecast for  
7 each fiscal year which shall be derived and revised only as provided in this Part. The  
8 official forecast shall include a forecast of all funds as defined in Article VII, Section  
9 10(J) of the Constitution of Louisiana, with an estimate of money available for  
10 appropriation from each dedicated fund. Each such official forecast shall contain a  
11 designation of all money which is nonrecurring. The conference shall designate all  
12 other money in each official forecast as recurring. In addition to any other money  
13 the conference may designate as nonrecurring, the conference shall designate as  
14 nonrecurring, money available for appropriation from any source that has not been  
15 available for appropriation for the preceding two fiscal years or which will not be  
16 available for appropriation for the succeeding two fiscal years.

17 \* \* \*

18 §34. Executive budget

19 A. The governor shall cause to be prepared an executive budget presenting  
20 a complete financial and programmatic plan for the ensuing fiscal year which shall  
21 include recommendations for appropriations from the state general fund and  
22 dedicated funds which shall not exceed the official forecast of the Revenue  
23 Estimating Conference. Except as provided by R. S. 39:75(E), the executive budget  
24 shall not include recommendations for appropriations from any fund in excess of the  
25 official forecast of money available for appropriation from that fund.

26 \* \* \*

27 §36. Contents and format of executive budget; supporting document

28 A. The executive budget shall present a complete financial and  
29 programmatic plan for the ensuing year, and it shall be configured in a format so as

1 to clearly present and highlight the functions and operations of state government and  
2 the financial requirements associated with those functions and operations. The  
3 executive budget shall be a performance-based budget. It shall include at a minimum  
4 the following:

5 \* \* \*

6 (3) Comparative statements for each department and budget unit by the  
7 means of financing of the existing operating budget for a date certain to be  
8 established by the budget office for the current fiscal year and recommended  
9 expenditures for the ensuing fiscal year. All such comparative statements shall  
10 include the following:

11 \* \* \*

12 (b) Reports of all discretionary and nondiscretionary expenditures, or  
13 estimates of discretionary or nondiscretionary expenditures, itemized by means of  
14 finance, department and functional area.

15 \* \* \*

16 §51. General Appropriation Bill; other appropriation bills

17 A. The governor shall cause a General Appropriation Bill for the ordinary  
18 operating expenses of government to be introduced which shall be in conformity  
19 with the recommendations for appropriations contained in the budget estimate as  
20 provided by Article VII, Section 11(B) of the Constitution of Louisiana. The  
21 General Appropriation Bill and other appropriation bills shall not appropriate any  
22 funds, as defined in Article VII, Section 10(J) of the Constitution of Louisiana,  
23 which are not part of the official forecast. The General Appropriation Bill and the  
24 bill appropriating funds for ancillary expenses of state government shall each be  
25 submitted for introduction at the same time required for submission of the executive  
26 budget as required by R.S. 39:37.

27 \* \* \*

28 G. The clerk of the House of Representatives shall, within twenty-four hours  
29 of final passage by the Senate, cause an unofficial enrollment of the General

1 Appropriation Bill and a summary thereof to be prepare, which enrollment shall  
2 include and reflect all amendments adopted by the Senate.

3 \* \* \*

4 §54. Limitations on appropriations

5 A. Appropriations by the legislature from the state general fund and  
6 dedicated funds for any fiscal year shall not exceed the official forecast in effect at  
7 the time the appropriations are made. Except as otherwise provided by R.S.  
8 39:75(E), appropriations by the legislature from any fund shall not exceed the  
9 official forecast of money available for appropriation from that fund in effect at the  
10 time the appropriations are made.

11 \* \* \*

12 Section 2. This Act shall become effective on July 1, 2013; if vetoed by the governor  
13 and subsequently approved by the legislature, this Act shall become effective on July 1,  
14 2013, or on the day following such approval by the legislature, whichever is later.

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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)]

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Geymann

HB No. 620

**Abstract:** Requires the legislative auditor to determine if appropriations to health care and higher education are less than the previous year; requires the Revenue Estimating Conference's official forecast to include a projection of all state general fund, self-generated revenues, and statutorily dedicated funds; requires the REC to designate certain funds as nonrecurring; requires the clerk of the House of Representatives to cause an unofficial enrollment of the general appropriation bill upon final passage of the Senate within twenty-four hours; and provides for limitations on appropriations.

LEGISLATIVE AUDITOR

Present law provides for the powers and duties of the legislative auditor.

Proposed law expands the powers and duties in present law to include determining whether the budget recommends appropriations out of the state general fund and dedicated funds for the next fiscal year for health care and for higher education in amounts less than the appropriations enacted for each purpose for the current fiscal year. (R.S. 24:513(D)(7))

## REVENUE ESTIMATING CONFERENCE

Present law sets forth requirements relative to the expenditure of state funds and establishes the Revenue Estimating Conference 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 nonrecurring. Money not designated as nonrecurring is designated as recurring. Proposed law retains present law and adds that the REC shall include a forecast of all funds as defined in Article VII, Section 10(J) of the Constitution of Louisiana, with an estimate of money available for appropriation from each dedicated fund. Proposed law also provides that the REC must designate as nonrecurring, money available for appropriation from any source that has not been available for the preceding two fiscal years or which will not be available for the succeeding two fiscal years. (R.S. 39:24(A))

## EXECUTIVE BUDGET

Present law requires the governor to prepare an executive budget to include recommendations for appropriations from the state general fund and dedicated funds which shall not exceed the official forecast of the REC. Proposed law retains present law and provides that the executive budget shall not include recommendations for appropriations from any fund in excess of the official forecast of money available for appropriation from that fund and shall include reports of all discretionary and nondiscretionary expenditures by means of finance. (R.S. 39:34(A) and 36(A)(3)(b))

## APPROPRIATION BILLS

Present law requires, after submitting his executive budget, that the governor then cause to be introduced a General Appropriations Bill (GAB) for the ordinary operating expenditures of state government in conformity with the budget estimate. Proposed law retains this provision and provides that the general appropriation bill and other appropriation bills shall not appropriate any funds which are not part of the official REC forecast. Proposed law further provides that the clerk of the House of Representatives shall cause an unofficial enrollment of the General Appropriation Bill and a summary of amendments upon final passage of the bill by the Senate within twenty-four hours. (R.S. 39:51(A) and (G))

## EXPENDITURE OF STATE FUNDS

Present law provides that appropriations from the state general fund and dedicated funds shall not exceed the official forecast. Proposed law retains present law and also specifies that unless otherwise provided by present law permitting the use and transfer of funds to avoid a projected deficit, the amount appropriated out of any fund shall not exceed the official forecast of money available for appropriation from that fund. (R.S. 39:54(A))

Effective on July 1, 2013.

(Amends R.S. 39:24(A), 34(A), 36(A)(3)(b), 51(A), and 54(A); Adds R.S. 24:513(D)(7) and R.S. 39:51(G))