

Regular Session, 2013

HOUSE BILL NO. 437

BY REPRESENTATIVES HARRIS, ARNOLD, BARRAS, BERTHELOT, STUART BISHOP, BROWN, BURFORD, CARMODY, CHAMPAGNE, CONNICK, DANAHAY, GAROFALO, GEYMAN, GREENE, HARRISON, HAVARD, HENRY, HODGES, HOLLIS, HOWARD, LAMBERT, NANCY LANDRY, LEOPOLD, MILLER, JAY MORRIS, JIM MORRIS, POPE, PUGH, PYLANT, REYNOLDS, RICHARD, ROBIDEAUX, SCHEXNAYDER, SCHRODER, SEABAUGH, TALBOT, AND THOMPSON

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 budget

1 AN ACT

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

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 39:24(A), 34(A), 51(A), and 54(A) and hereby amended and  
9 reenacted to read as follows:

10 §24. Official forecast

11 A. The Revenue Estimating Conference shall establish an official forecast for  
12 each fiscal year which shall be derived and revised only as provided in this Part. The  
13 official forecast shall include a forecast of all funds as defined in Article VII, Section  
14 10(J) of the Constitution of Louisiana, with an estimate of money available for  
15 appropriation from each dedicated fund. To the extent that money supporting  
16 appropriations consists of the balance in any fund, the conference estimate of such

1 balance shall be certified by the treasurer. Each such official forecast shall contain  
 2 a designation of all money which is nonrecurring. The conference shall designate  
 3 all other money in each official forecast as recurring. In addition to any other money  
 4 the conference may designate as nonrecurring, the conference shall designate as  
 5 nonrecurring, money available for appropriation from any source that has not been  
 6 available for the preceding two fiscal years or which will not be available for the  
 7 succeeding two fiscal years.

8 \* \* \*

9 §34. Executive budget

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

17 \* \* \*

18 §51. General Appropriation Bill; other appropriation bills

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

29 \* \* \*

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

\* \* \*

9           Section 2. This Act shall become effective on July 1, 2013; if vetoed by the governor  
10          and subsequently approved by the legislature, this Act shall become effective on July 1,  
11          2013, or on the day following such approval by the legislature, whichever is later.

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)]

Harris HB No. 437

**Abstract:** 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; and provides for limitations on appropriations.

REVENUE ESTIMATING CONFERENCE

Present law sets forth requirements relative to the expenditure of state funds and establishes the Revenue Estimating Conference (REC) 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 recurring. Proposed law retains present law and adds that the REC shall include a forecast of all funds as defined in Art. VII, §10(J) of the Const. of La., 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. Proposed law also provides that to the extent that appropriations consist of the balance in any fund, the conference estimate of such balance shall be certified by the treasurer. (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. (R.S. 39:34(A))

#### APPROPRIATION BILLS

Present law requires, after submitting his executive budget, that the governor then cause to be introduced a General Appropriation Bill (GAB) for the ordinary operating expenditures 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. (R.S. 39:51(A))

#### 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), 51(A), and 54(A))

#### Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Added that to the extent the Revenue Estimating Conference estimate of money supporting appropriations consists of the balance in any dedicated fund, the conference estimate of such balance shall be certified by the treasurer.