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## DIGEST

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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 state treasurer to certify fund balances used to support appropriations; 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 any three consecutive 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))

Further provides that this proposed law shall take effect and become operative only if HB Nos. 434, 435, and 436 are concurred in by both houses of the legislature and if HB Nos. 456, 474, 571, 620, 653, and 696 of the 2012 Regular Session of the Legislature are enacted into law.

Effective 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.

### House Floor Amendments to the engrossed bill.

1. Clarified the definition of nonrecurring funds to be used by the Revenue Estimating Conference in the determination of the recurring or nonrecurring nature of revenues. Provided that the conference shall designate as nonrecurring any money available for appropriation from any source that is not available for any three consecutive fiscal years.
2. Provided that this proposed law shall take effect and become operative only if HB Nos. 434, 435, and 436 are concurred in by both houses of the legislature and if HB Nos. 456, 474, 571, 620, 653, and 696 of the 2012 Regular Session of the Legislature are enacted into law.