

1 members of each house of the legislature. Between sessions of the legislature, the
2 appropriation may be made only with written consent of two-thirds of the elected
3 members of each house of the legislature.

4 ~~(3)~~ (4) In no event shall the amount included in the official forecast for the
5 next fiscal year, plus the amount appropriated in the current fiscal year, plus the
6 amount appropriated in the event of a disaster, exceed one-third of the fund balance
7 at the beginning of the current fiscal year.

8 ~~(4)~~ (5) No appropriation or deposit to the fund shall be made if such
9 appropriation or deposit would cause the balance in the fund to exceed four percent
10 of total state revenue receipts for the previous fiscal year.

11 Section 2. Be it further resolved that this proposed amendment shall be submitted
12 to the electors of the state of Louisiana at the statewide election to be held on October 14,
13 2017.

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

18 Do you support an amendment to allow for the use of the Budget
19 Stabilization Fund, also known as the Rainy Day Fund, for the state's share
20 of costs associated with a disaster declared by the federal government?
21 (Amends Article VII, Section 10.3(C)(3) and (4); Adds Article VII, Section
22 10.3(C)(5))

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 255 Original

2017 Regular Session

Gary Carter

Abstract: Authorizes the use of the Budget Stabilization Fund, also know as the Rainy Day Fund, for the state's share of the costs associated with a federally declared disaster.

Present constitution establishes the Budget Stabilization Fund and provides for various deposits into the fund including 25% of any nonrecurring revenues and mineral revenues

collected by the state over a base amount of \$750 million. Further authorizes the legislature to increase the base amount every 10 years in law. Increases provided for in law in 2004 and 2015 have increased the base amount to \$950 million.

Present constitution provides for the fund to be used only under the following conditions, after consent of 2/3 of the legislature:

If the official forecast of recurring money for the next fiscal year is less than the official forecast of recurring money for the current fiscal year, the difference, not to exceed 1/3 of the fund shall be incorporated into the next year's official forecast.

If a deficit for the current fiscal year is projected due to a decrease in the official forecast, an amount equal to one-third of the fund not to exceed the projected deficit may be appropriated.

Proposed constitution further provides for the use of the fund for the state costs associated with a federally declared disaster, not to exceed an amount equal to 1/3 of the fund, after the consent of 2/3 of the elected members of the legislature.

Present constitution prohibits the amount included in the official forecast for the next fiscal year and the amount appropriated for the current fiscal year from exceeding 1/3 of the fund balance at the beginning of the current fiscal year. Proposed constitution prohibits the combined amount of the fund incorporated in the official forecast in the next fiscal year, in the current fiscal year, and as a result of a federally declared disaster, from exceeding 1/3 of the balance at the beginning of the current fiscal year.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 14, 2017.

(Amends Const. Art. VII, §10.3(C)(3) and (4); Adds Const. Art. VII, §10.3(C)(5))