

BY REPRESENTATIVE ZERINGUE

1 A CONCURRENT RESOLUTION

2 To authorize the Revenue Estimating Conference to incorporate certain monies available for

3 appropriation from the Budget Stabilization Fund into the official forecast for Fiscal

4 Year 2020-2021.

5 WHEREAS, the state of Louisiana is experiencing an unprecedented financial crisis

6 due to the COVID-19 virus pandemic; and

7 WHEREAS, the pandemic has caused many businesses and operations to shut down,

8 resulting in the state receiving significantly lower sales tax collections and gaming revenues;

9 and

10 WHEREAS, additional unprecedented volatility in the world oil market as a result

11 of global demand weakness from the pandemic and a saturation in global supply resulted in

12 the state receiving significantly lower severance tax collections; and

13 WHEREAS, Article VII, Section 10.3 of the Constitution of Louisiana establishes

14 the Budget Stabilization Fund in the state treasury and in Subparagraph (C)(1) thereof

15 provides that if the official forecast of recurring money for the next fiscal year is less than

16 the official forecast of recurring money for the current fiscal year, the difference, not to

17 exceed one-third of the fund, shall be incorporated into the next year's official forecast only

18 after the consent of two-thirds of the elected members of each house of the legislature; and

19 WHEREAS, Article VII, Section 10.3(C)(3) of the Constitution of Louisiana

20 provides that in no event shall the amount included in the official forecast for the next fiscal

1 year plus the amount appropriated in the current fiscal year exceed one-third of the fund
2 balance at the beginning of the current fiscal year; and

3 WHEREAS, at the May 11, 2020, meeting of the Revenue Estimating Conference,
4 the official forecast of recurring money for the current fiscal year, namely, Fiscal Year 2019-
5 2020, adopted by the conference was \$9,592,800,000; and

6 WHEREAS, at the May 11, 2020, meeting of the Revenue Estimating Conference
7 the official forecast of recurring money for the next fiscal year, namely, Fiscal Year 2020-
8 2021, adopted by the conference was \$9,139,200,000; and

9 WHEREAS, the official forecast of recurring money for Fiscal Year 2020-2021 is
10 \$453,600,000 less than the official forecast of recurring money for Fiscal Year 2019-2020;
11 and

12 WHEREAS, no monies have been appropriated out of the Budget Stabilization Fund
13 in the current fiscal year, leaving one-third of the balance available for appropriation; and

14 WHEREAS, the balance in the Budget Stabilization Fund as of July 1, 2019, was
15 certified to be \$405,283,103.71, and one-third of the balance is \$135,094,367.90; and

16 WHEREAS, \$90,062,911, or two-thirds of the available amount, is necessary to
17 continue government operations while preserving one-third of the available funds for future
18 emergency use.

19 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
20 consent to and authorize the Revenue Estimating Conference to incorporate \$90,062,911 of
21 the Budget Stabilization Fund into the official forecast for Fiscal Year 2020-2021.

22 BE IT FURTHER RESOLVED that the Legislature of Louisiana does hereby declare
23 its intention to use the funds made available for appropriation as a result of the incorporation
24 of a portion of the Budget Stabilization Fund into the official forecast for Fiscal Year 2020-
25 2021.

26 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
27 treasurer.

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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2020 Regular Session

Zeringue

Authorizes the Revenue Estimating Conference to incorporate \$90,062,911 of the certified balance of the Budget Stabilization Fund into the official forecast for FY 2020-2021 so that such monies will be available for appropriation.

Declares intention to use the funds made available for appropriation.