

**HOUSE SUMMARY OF SENATE AMENDMENTS****HB 487****2021 Regular Session****Echols**

BUDGETARY CONTROLS: (Constitutional Amendment) Provides relative to deficit avoidance procedures

**Synopsis of Senate Amendments**

1. Changes the percentage that statutory dedications can be reduced from 20% to 10%.
2. Changes the statewide election date for the proposed amendment to be submitted to the voters from Nov. 8, 2022 to Oct. 9, 2021.

**Digest of Bill as Finally Passed by Senate**

Present law authorizes the governor to unilaterally reduce state general fund appropriations to avoid a projected budget deficit, provided the reductions are only to the executive branch and reductions for an agency do not exceed 3% of the agency's total appropriation.

Present law provides that once the governor reduces total state general fund appropriations by 7/10 of 1%, he can take the following actions with approval of the Joint Legislative Committee on the Budget:

- (1) Reduce statutory dedications (including constitutional funds) by up to 5%.
- (2) Reduce an additional 5% of the total state general fund amount appropriated for the fiscal year.
- (3) Reduce the MFP provided the reduction does not exceed 1% and does not apply to instructional activities.

Proposed constitution increases the allowable reduction to statutory dedications, including constitutional funds, from 5% to 10% of the total appropriation or allocation from the fund for the fiscal year.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 9, 2021.

(Amends Article VII, §10(F)(2)(a) and (b))