

2023 Regular Session

HOUSE BILL NO. 166

BY REPRESENTATIVE BACALA

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

BUDGETARY CONTROLS: Requires certain information and analysis to be included in the governor's executive budget and the General Appropriation Bill

1 AN ACT

2 To amend and reenact R.S. 39:24(A) and 36(A)(7) and to enact R.S. 39:36(A)(8) and 51(H)
3 and (I), relative to state government finances; to require the Revenue Estimating
4 Conference to include certain information in its official forecast; to require certain
5 information in executive budget documents and the General Appropriation Bill; and
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 39:24(A) and 36(A)(7) are hereby amended and reenacted and R.S.
9 39:36(A)(8) and 51(H) and (I) are hereby enacted to read as follows:

10 §24. Official forecast

11 A. The Revenue Estimating Conference shall establish an official forecast
12 for each fiscal year which shall be derived and revised only as provided in this Part.
13 The official forecast shall include a forecast for the current fiscal year, the ensuing
14 fiscal year, and the two fiscal years following the ensuing fiscal year of all funds as
15 defined in Article VII, Section 10(J) of the Constitution of ~~Louisiana, Louisiana.~~ and
16 The forecast shall also include an estimate of money available for appropriation from
17 fees and self-generated revenues and each dedicated fund for each such year. Each
18 such official forecast shall contain a designation of all money which is nonrecurring.

1 The conference shall designate all other money in each official forecast as recurring.
2 In addition, the conference may designate as nonrecurring any money available for
3 appropriation from any source that is defined as nonrecurring in R.S. 39:2(27).

4 * * *

5 §36. Contents and format of executive budget; supporting document

6 A. The executive budget shall present a complete financial and
7 programmatic plan for the ensuing year, and it shall be configured in a format so as
8 to clearly present and highlight the functions and operations of state government and
9 the financial requirements associated with those functions and operations. The
10 executive budget shall be a performance-based budget and as such may include key
11 objectives and key performance indicators. The commissioner of administration may
12 designate key objectives and key performance indicators to be included in the
13 executive budget. Additionally, the executive budget shall include at a minimum the
14 following:

15 * * *

16 (7) ~~The Each executive budget for Fiscal Year 2018-2019 and each fiscal~~
17 ~~year thereafter~~ shall include a listing of all incentive expenditure programs by
18 department, including the forecasted amount of each incentive expenditure as
19 adopted for the current fiscal year by the Revenue Estimating Conference. The
20 incentive expenditure programs shall be stated as a separate description in the
21 program activities of the respective department, agency, or authority of the state
22 which administers an incentive expenditure program. Such incentive expenditures
23 shall not be included as, nor counted towards, the operating expenses of the relevant
24 department, agency, or authority.

25 (8) The executive budget for Fiscal Year 2024-2025 and for each fiscal year
26 thereafter shall include a summary of the information required pursuant to R.S.
27 39:51(H) and an analysis of whether and to what extent sufficient revenues are
28 projected in the most recent official forecast adopted by the Revenue Estimating

1 Conference to cover the projected costs in each of the two fiscal years following the
2 ensuing fiscal year.

3 * * *

4 §51. General Appropriation Bill; other appropriation bills

5 * * *

6 H. Beginning with the General Appropriation Bill for Fiscal Year 2024-
7 2025, each General Appropriation Bill shall contain an appendix, as provided in this
8 Subsection, created by the division of administration and submitted at the same time
9 as the General Appropriation Bill is submitted for introduction pursuant to
10 Subsection A of this Section. The appendix shall list the total recommended
11 appropriations from the state general fund and dedicated funds for the ensuing fiscal
12 year by schedule, budget unit, and program, as applicable, as contained in the
13 executive budget for the ensuing fiscal year and projections for each such listing for
14 the two fiscal years following the ensuing fiscal year. Projected amounts in this
15 appendix shall reflect the funding level for each entry necessary to carry on all
16 existing programs and functions associated with the entry at the level proposed in the
17 governor's executive budget in each of the two fiscal years following the ensuing
18 fiscal year and any adjustments necessary to account for the increased cost of
19 services or materials due to inflation and estimated increases in workload
20 requirements resulting from demographic or other changes. For the purposes of this
21 Subsection, the phrase "state general fund and dedicated funds" shall have the same
22 meaning as in Art. VII, Sec. 10(J) of the Constitution of Louisiana.

23 I. Beginning with the General Appropriation Bill for Fiscal Year 2024-2025,
24 the preamble of each General Appropriation Bill shall contain the information
25 required pursuant to R.S. 39:36(A)(8).

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 166 Engrossed

2023 Regular Session

Bacala

Abstract: Requires certain financial information and analysis regarding ensuing year finances be included in the governor's executive budget (ex. budget) and in the General Appropriation Bill (GAB).

Present law (R.S. 39:24) requires the Revenue Estimating Conference (REC) to adopt an official forecast for each fiscal year of all state revenues available for appropriation in each such year. Proposed law requires REC to forecast revenues for the current fiscal year, the ensuing fiscal year, and the two fiscal years following the ensuing fiscal year for the state general fund, each dedicated fund, and fees and self-generated revenues.

Present law (R.S. 39:51) sets forth the requirements for each GAB. To the existing requirements, proposed law adds the requirement that, beginning with the GAB for FY 24-25, each GAB shall include an appendix, created by the division of administration, that lists the ex. budget proposed appropriations from the state general fund and dedicated funds for the ensuing fiscal year by schedule, budget unit, and program—as applicable—and projects each entry out over the following two fiscal years to illustrate the amounts needed in the future to fully fund the current year's recommended appropriations. Further defines the phrase "state general fund and dedicated funds" shall have the same meaning as in present constitution (Art. VII, Sec. 10(J)).

Present law (R.S. 39:36) sets for requirements for the governor's ex. budget. To the existing requirements, proposed law adds the requirement that beginning with the ex. budget for FY 24-25, each ex. budget shall include a summary of the appendix information contained in proposed law and analysis of whether and to what extent sufficient revenues are projected in the most recent official forecast adopted by the Revenue Estimating Conference to cover the projected costs in each of the two fiscal years following the fiscal year being appropriated. Further requires the preamble of each GAB to contain a summary of this analysis.

(Amends R.S. 39:24(A) and 36(A)(7); Adds R.S. 39:36(A)(8) and 51(H) and (I))