

2023 Regular Session

HOUSE BILL NO. 244

BY REPRESENTATIVE BISHOP

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

FUNDS/FUNDING: (Constitutional Amendment) Provides relative to the Revenue Stabilization Trust Fund

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A JOINT RESOLUTION

Proposing to amend Article VII, Section 10.15(E)(1) and (F) and to add Article VII, Section 10.15(G) of the Constitution of Louisiana, relative to the use of monies in the Revenue Stabilization Trust Fund; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 10.15(E)(1) and (F) and to add Article VII, Section 10.15(G) of the Constitution of Louisiana, to read as follows:

§10.15. Revenue Stabilization Trust Fund

Section 10.15. Revenue Stabilization Trust Fund.

* * *

(E)(1) Except as provided for in Paragraph ~~(F)~~ (G) of this Section, monies deposited into the Revenue Stabilization Trust Fund shall be permanently credited to the trust fund and shall be invested by the treasurer in a manner provided for by law.

* * *

1 (F)(1) Except as provided in ~~Subparagraphs (2) and (3)~~ Paragraph (G) of this
2 Paragraph Section, no appropriations shall be made from the Revenue Stabilization
3 Trust Fund.

4 ~~(2)(a)~~ (G)(1) In any fiscal year in which the balance of the fund at the
5 beginning of the year is in excess of five billion dollars, hereinafter referred to as the
6 minimum fund balance, the legislature may appropriate an amount not to exceed ten
7 percent, in the aggregate, of the fund balance, hereinafter referred to as the allowable
8 percentage, ~~for the following:~~ for capital outlay projects in the comprehensive state
9 capital budget, transportation infrastructure, or both.

10 ~~(i) Capital outlay projects in the comprehensive state capital budget.~~

11 ~~(ii) Transportation infrastructure.~~

12 ~~(b) The minimum fund balance or the allowable percentage may be changed~~
13 ~~by a law enacted by two-thirds of the elected members of each house of the~~
14 ~~legislature.~~

15 ~~(3) In order to ensure the money in the fund is available for appropriation in~~
16 ~~an emergency the legislature may authorize an appropriation from the fund at any~~
17 ~~time for any purpose only after the consent of two-thirds of the elected members of~~
18 ~~each house of the legislature. If the legislature is not in session, the two-thirds~~
19 ~~requirement may be satisfied upon obtaining the written consent of two-thirds of the~~
20 ~~elected members of each house of the legislature in a manner provided by law.~~

21 (2) In addition to Subparagraph (1) of this Paragraph, monies in the Revenue
22 Stabilization Trust Fund may be used as follows:

23 (a) If after the incorporation of the maximum allowable use of monies from
24 the Budget Stabilization Fund into the official forecast for the next fiscal year, the
25 official forecast for the next fiscal year is less than the official forecast money for the
26 current fiscal year, the difference, not to exceed two hundred fifty million dollars,
27 may be incorporated into the next fiscal year's official forecast.

28 (b) If after the appropriation of the maximum allowable use of monies from
29 the Budget Stabilization Fund for the current fiscal year, a deficit for the current

1 fiscal year is projected due to a decrease in the official forecast, an amount not to
2 exceed two hundred fifty million dollars may be appropriated.

3 (c) The consent of two-thirds of the elected members of each house of the
4 legislature shall be required prior to the utilization of any monies in the fund
5 pursuant to the provisions of this Subparagraph. If the legislature is not in session,
6 the two-thirds requirement may be satisfied upon obtaining the written consent of
7 two-thirds of the elected members of each house of the legislature in a manner
8 provided by law.

9 (3) Notwithstanding any other provision of this Paragraph, any of the
10 following may be changed by law enacted by two-thirds of the elected members of
11 each house of the legislature:

12 (a) The minimum fund balance, the allowable percentage that may be
13 withdrawn, or both, as provided in Subparagraph (1) of this Paragraph.

14 (b) The maximum amount that may be withdrawn as provided Subparagraph
15 (2) of this Paragraph.

16 Section 2. Be it further resolved that this proposed amendment shall be submitted
17 to the electors of the state of Louisiana at the statewide election to be held on October 14,
18 2023.

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

23 Do you support an amendment authorizing the legislature, after securing a
24 two-thirds vote of each house, to use up to two-hundred fifty million dollars
25 from the Revenue Stabilization Trust Fund to alleviate a budget deficit, but
26 only if monies withdrawn from the Budget Stabilization Fund were
27 insufficient to cure the deficit and requiring a two-thirds vote of the
28 legislature to modify certain conditions for accessing the monies in the fund,
29 including the minimum balance required to access money in the fund and the

1 maximum amount that may be withdrawn? (Amends Article VII, Section
 2 10.15(E)(1) and (F); Adds Article VII, Section 10.15(G))

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 244 Engrossed

2023 Regular Session

Bishop

Abstract: Provides for uses of the Revenue Stabilization Trust Fund.

Present constitution establishes the Revenue Stabilization Trust Fund and provides for deposits and uses of monies in the fund.

Present constitution authorizes use of monies in the fund if the balance of the fund at the beginning of the year is in excess of \$5 billion. Proposed constitutional amendment retains present constitution.

Present constitution further restricts appropriations from the fund in such circumstances to a maximum of 10% of the fund balance. Proposed constitutional amendment restricts appropriations from the fund in such circumstances to a maximum aggregate of 10% of the fund balance. Present constitution authorizes use of monies in the fund in such circumstances for capital outlay projects and transportation infrastructure. Proposed constitutional amendment authorizes use of monies in the fund for capital outlay projects, transportation infrastructure, or both.

Present constitution authorizes the legislature to appropriate from the fund in case of emergency regardless of the fund balance and without a maximum cap on withdrawals. Proposed constitutional amendment removes the ability of the legislature to spend in an emergency without a maximum cap on withdrawals. Proposed constitutional amendment provides for the funds in the Revenue Stabilization Fund to be used to offset deficits in the current or next fiscal year. Provides for funds from the fund to offset the deficit only after the maximum allowable amount of funds have been withdrawn from the Budget Stabilization Fund established in present constitution. Additionally, requires the consent of 2/3 of the legislature for such appropriation and institutes a maximum withdrawal of \$250 million for each such deficit.

Present constitution authorizes the legislature to alter the minimum fund balance or maximum withdrawal percentage by law with a 2/3 vote. Proposed constitutional amendment authorizes the legislature to alter the minimum fund balance, the maximum withdrawal percentage, or both by law with a 2/3 vote. Additionally, authorizes the legislature to alter the maximum amount that may be withdrawn in the event of a deficit by law with a 2/3 vote.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 14, 2023.

(Amends Art. VII, §10.15(E)(1) and (F); Adds Art. VII, §10.15(G))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Provide that monies in the Revenue Stabilization Trust Fund may be used for budget deficits in the current and next fiscal year.
2. Remove the word "recurring" in reference to the official forecast.
3. Change "the incorporation of monies from the Budget Stabilization Fund" to "the maximum allowable use of monies from the Budget Stabilization Fund".