

**ACT No. 14**

2024 Third Extraordinary Session

HOUSE BILL NO. 13

BY REPRESENTATIVE GEYMANN AND SENATORS BASS, CATHEY, CLOUD, EDMONDS, FESI, HENRY, HENSGENS, HODGES, KLEINPETER, MIGUEZ, MILLER, PRESSLY, SEABAUGH, STINE, AND WOMACK

1 AN ACT

2 To amend and reenact R.S. 39:34(C), 38(B), and 54(C) and to enact R.S. 39:33.3, relative  
3 to state finances; to provide relative to the calculation of a limit above which certain  
4 funds may be appropriated only for certain purposes; to provide relative to  
5 exceptions; to provide for definitions; to provide relative to the authority of the  
6 governor; to provide relative to the powers and duties of the commissioner of  
7 administration; to provide relative to the powers and duties of the Revenue  
8 Estimating Conference; to provide for a special effective date; and to provide for  
9 related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 39:34(C), 38(B), and 54(C) are hereby amended and reenacted and  
12 R.S. 39:33.3 is hereby enacted to read as follows:

13 §33.3. Determination of Government Growth Limit

14 A. The Government Growth Limit, hereafter referred to in this Section as the  
15 "growth limit", shall be established by the Revenue Estimating Conference no later  
16 than the first quarter of each calendar year for the next fiscal year and is a limit  
17 above which appropriation of recurring revenue from the State General Fund (Direct)  
18 means of finance shall be made only for the purposes provided in this Section. The  
19 commissioner of administration shall cause a calculation of the ensuing year's growth  
20 limit to be submitted to the Revenue Estimating Conference each year for the  
21 conference's consideration and adoption.

22 B. After adoption by the Revenue Estimating Conference, the chairman of  
23 the conference shall cause the growth limit for the ensuing fiscal year to be

1 submitted to the Joint Legislative Committee on the Budget by the deadline for  
2 submission of the executive budget to such committee.

3 C.(1) If the growth factor provided in this Paragraph is positive, the growth  
4 limit for the ensuing fiscal year shall be calculated as the sum of the base plus the  
5 result of the base times the growth factor in accordance with the following  
6 provisions:

7 (a) The growth factor shall only be applied to the base once for each annual  
8 calculation and shall equal the sum of the following:

9 (i) The average annual percentage rate of change in population for Louisiana,  
10 as defined and reported by the United States Department of Commerce, or its  
11 successor agency, for the five calendar years prior to the fiscal year for which the  
12 limit is calculated.

13 (ii) The average of the following:

14 (aa) The average annual percentage rate of change through December of the  
15 chained consumer price index for the United States as defined and reported by the  
16 United States Department of Labor, Bureau of Labor Statistics, or its successor  
17 agency, for the five calendar years prior to the fiscal year for which the limit is  
18 calculated.

19 (bb) The average annual percentage rate of change through December of the  
20 chained consumer medical care price index for the United States as defined and  
21 reported by the United States Department of Labor, Bureau of Labor Statistics, or its  
22 successor agency, for the five calendar years prior to the fiscal year for which the  
23 limit is calculated.

24 (b) The figures used for the calculation of the growth factor shall be those  
25 actual or estimated figures most recently reported at the time the growth limit is  
26 adopted by the Revenue Estimating Conference.

27 (c) The base shall be the total of appropriations for recurring expenses from  
28 the State General Fund (Direct) means of finance for the immediately prior fiscal  
29 year; however, the base shall not include any appropriations made pursuant to  
30 Subsection D of this Section.

1               (2) If the growth factor provided in Paragraph (1) of this Subsection is  
2               negative, the growth limit for the ensuing fiscal year shall be equal to the base, as  
3               defined in Paragraph (1) of this Subsection.

4               D. Recurring revenue amounts recognized in the official forecast above the  
5               growth limit and below the expenditure limit shall be appropriated only for  
6               nonrecurring expenses. For the purposes of this Subsection, the term "nonrecurring  
7               expense" means an expense that is not of a continuing or recurring character and that  
8               in the normal course of administration is not expected to be necessary in  
9               approximately the same amounts each year.

10              (E) The limit calculated pursuant to the provisions of this Subparagraph shall  
11              not apply to the appropriation of the following state funds:

12                   (1) Any funds originating from the federal government.

13                   (2) Any funds being transferred among state agencies, colleges, universities,  
14                   boards, or commissions.

15                   (3) Any funds originating from self-generated collections by a state agency,  
16                   college, university, board or commission.

17                   (4) Any funds originating from a statutorily or constitutionally dedicated  
18                   fund.

19                   (5) Any funds from the Budget Stabilization Fund incorporated into the  
20                   official forecast for the current fiscal year.

21                   (6) Any funds appropriated as a result of a means of financing substitution  
22                   resulting in an increase in the State General Fund (Direct) means of finance to  
23                   compensate for a decrease in federal funding, funds transferred from another state  
24                   entity, self-generated collections, or statutorily or constitutionally dedicated funds.

25                   (7) Any funds appropriated or allocated that are excluded from the analysis  
26                   of appropriation totals in relation to the expenditure limit.

27               §34. Executive budget

28   \*       \*       \*

29                   C. The executive budget recommendations for appropriations shall not  
30                   exceed the expenditure limit for the ensuing fiscal year. Additionally, executive

1 budget recommendations for appropriation of recurring revenue shall not exceed the  
2 government growth limit for the ensuing fiscal year.

3 \* \* \*

4 §38. Additional proposals

5 \* \* \*

6 B. Any proposal by the governor to exceed the expenditure ~~limit~~ limit, the  
7 government growth limit, or both shall be itemized by program and shall constitute  
8 a submission by the governor separate and apart from the executive budget.

9 \* \* \*

10 §54. Limitations on appropriations

11 \* \* \*

12 C. Appropriations ~~by the legislature~~ from the state general fund and  
13 dedicated funds for any fiscal year shall not exceed the expenditure limit and shall  
14 be in conformity with the requirements of R.S. 39:33.3.

15 \* \* \*

16 Section 2. This Act shall take effect and become operative if and when the proposed  
17 amendment of Article VII of the Constitution of Louisiana contained in the Act which  
18 originated as House Bill No. 7 of this 2024 Third Extraordinary Session of the Legislature  
19 is adopted at a statewide election and becomes effective.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_