

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 646** HLS 26RS 1208  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 24, 2026	3:32 PM	<b>Author:</b> BEAULLIEU
<b>Dept./Agy.:</b> Statewide		
<b>Subject:</b> Government Growth Limit		<b>Analyst:</b> Noah O'Dell

APPROPRIATIONS EG SEE FISC NOTE GF EX See Note Page 1 of 1  
 (Constitutional Amendment) Limits the amount of state general fund that may be appropriated in a fiscal year

Current Constitution requires the Division of Administration to provide for the determination of an Expenditure Limit, prohibits appropriations from the state general fund and dedicated funds from exceeding the official forecast at the time the appropriations are made, establishes timing and content requirements for the governor's annual proposed budget, and prohibits the proposed budget from exceeding the lesser of the official forecast or the Expenditure Limit for the fiscal year being appropriated.

Proposed Constitutional Amendment establishes, for FY 28 and each year thereafter, a Government Growth Limit, provides that the legislature shall establish procedures by law for the calculation, provides for changes to the limit, sets the limit in FY 28, provides for exclusions from the limit, establishes the Louisiana Income Tax Elimination (LITE) Fund, provides for the deposit of recurring revenues recognized above the limit and below the official forecast into the LITE Fund, and provides for allowable uses of the LITE Fund.

To be submitted to the electors at the statewide election to be held on November 3, 2026.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>					<b>\$0</b>

  

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>SEE BELOW</b>	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>					<b>\$0</b>

**EXPENDITURE EXPLANATION**

Proposed Constitutional Amendment may constrain SGF (direct) appropriations by imposing a Government Growth Limit. **To the extent SGF (direct) revenues exceed the Government Growth Limit, amounts above the limit and below the official forecast would not be available for SGF appropriation.** Instead, these revenues would be deposited into the Louisiana Income Tax Elimination (LITE) Fund for specifically enumerated purposes in the subsequent fiscal year. The calculation procedure for the Government Growth Limit shall be established in law by the legislature.

Proposed Constitutional Amendment requires SGF appropriations to conform to the Government Growth Limit. Any proposal by the governor to exceed the Government Growth Limit shall be submitted separately from the executive budget and itemized by program. The treasurer is required to annually deposit all recurring SGF revenue received by the state in excess of the Government Growth Limit and below the official forecast for that fiscal year into the LITE Fund.

Monies in the LITE Fund are restricted to the following purposes:

1. The same purposes and conditions as the Budget Stabilization Fund
2. Retirement or defeasance of bonds in advance or in addition to the existing amortization requirements of the state
3. Payments against the unfunded accrued liability of one or more state retirement systems
4. Costs of project delivery, construction, and maintenance of transportation and capital infrastructure projects

Proposed Constitutional Amendment provides that the Government Growth Limit may be changed by a favorable vote of two-thirds of the elected members of each house through a specific legislative instrument. However, the Government Growth Limit may only be changed in years in which the growth factor in each of the two immediately preceding fiscal years was two percent or less.

Note: The Secretary of State may incur minimal ballot processing costs associated with this measure. As a regular practice, the Secretary of State typically budgets for up to 10 constitutional amendments and statewide propositions for the fall statewide elections. To the extent the ballot includes more than 10 constitutional amendments and statewide propositions, the Secretary of State may require additional SGF resources in FY 27 for the November 3, 2026, statewide election.

**REVENUE EXPLANATION**

State General Fund (Direct) revenue received by the state above the Government Growth Limit up to the official forecast is annually deposited by the Treasury into the LITE Fund each fiscal year for expenditure in the subsequent year. The Legislative Fiscal Office (LFO) is unable to estimate the amount of revenue that will be deposited into the LITE Fund, but assumes this amount may exceed \$100,000 dual referral threshold.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*  
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**Legislative Fiscal Officer**