

HOUSE SUMMARY OF SENATE AMENDMENTS

House Bill No. 437 by Representative Harris

BUDGETARY CONTROLS: Provides with respect to the development of the budget

Synopsis of Senate Amendments

1. Deletes provision that the state treasurer certify the balance of any fund supporting appropriations estimated by the conference.
2. Changes the requirement of the conference's designation of nonrecurring funds from "shall" designate funds not available for three consecutive fiscal years as nonrecurring to "may" designate money not available for the preceding two fiscal years or the succeeding two fiscal years as nonrecurring.
3. Adds that financing for appropriations using prior year funds shall only be authorized in the amounts remaining after the satisfaction of the remission of cash balances to the state treasurer, the liquidation of any bona fide liabilities, and authorized withdrawals after the close of the fiscal year as provided for by law.
4. Makes the provisions of proposed law null, void, and of no effect on June 30, 2015.

Digest of Bill as Finally Passed by Senate

REVENUE ESTIMATING CONFERENCE

Present law sets forth requirements relative to the expenditure of state funds and establishes the Revenue Estimating Conference (REC) to prepare and publish initial and revised estimates of money to be received by the state general fund and dedicated funds for the current and next fiscal years which are available for appropriation, the most recent of which is called the official forecast. In each estimate, the REC must also designate money as nonrecurring. Money not designated as nonrecurring is designated recurring.

Proposed law retains present law and adds that the REC shall include a forecast of all funds as defined in Art. VII, §10(J) of the Const. of La., with an estimate of money available for appropriation from each dedicated fund. Proposed law also provides that the REC may designate as nonrecurring, money available for appropriation from any source that is defined in present law (R.S. 39:2(27)) as nonrecurring. (R.S. 39:24 (A))

EXECUTIVE BUDGET

Present law requires the governor to prepare an executive budget to include recommendations for appropriations from the state general fund and dedicated funds which shall not exceed the official forecast of the REC. Proposed law retains present law and provides that the executive budget shall not include recommendations for appropriations from any fund in excess of the official forecast of money available for appropriation from that fund. (R.S. 39:34(A))

APPROPRIATION BILLS

Present law requires, after submitting his executive budget, that the governor then cause to be introduced a General Appropriation Bill (GAB) for the ordinary operating expenditures

in conformity with the budget estimate. Proposed law retains this provision and provides that the general appropriation bill and other appropriation bills shall not appropriate any funds which are not part of the official REC forecast. (R.S. 39:51(A))

EXPENDITURE OF STATE FUNDS

Present law provides that appropriations from the state general fund and dedicated funds shall not exceed the official forecast. Proposed law retains present law and also specifies that unless otherwise provided by present law permitting the use and transfer of funds to avoid a projected deficit, the amount appropriated out of any fund shall not exceed the official forecast of money available for appropriation from that fund. (R.S. 39:54(A))

Proposed law provides that when utilizing prior year funds financing shall only be authorized in the amounts remaining after the satisfaction of remission of cash balances, liquidations of liabilities, and authorized withdrawals after the close of the year as provided by law. (R.S. 39:82)

Further provides that this proposed law shall take effect and become operative only if HB Nos. 434, 435, and 436 are concurred in by both houses of the legislature and if HB Nos. 456, 474, 571, 620, 653, and 696 of the 2012 Regular Session of the Legislature are enacted into law.

Provisions of proposed law are null, void, and of no effect on June 30, 2015.

Effective July 1, 2013.

(Amends R.S. 39:24(A), 34(A), 51(A), and 54(A))