

2016 Regular Session

SENATE BILL NO. 201

BY SENATOR ALLAIN

FUNDS/FUNDING. Constitutional amendment to revise the circumstances that would allow the reduction of constitutionally protected expenditures and dedications to eliminate a projected deficit in an ensuing fiscal year. (2/3 - CA13s1(A))

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A JOINT RESOLUTION

Proposing to amend Article VII, Section 10(F)(2)(b) of the Constitution of Louisiana, relative to eliminating deficits in an ensuing fiscal year; to revise the circumstances that would allow the reduction of constitutionally protected expenditures and reductions to eliminate a projected deficit in an ensuing fiscal year; to provide and to specify an election for submission of the proposition to electors and provide a ballot proposition.

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, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 10(F)(2)(b) of the Constitution of Louisiana, to read as follows:

§10. Expenditure of State Funds

Section 10.

* * *

(F) Projected Deficit.

* * *

(2)

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2 (b)(i) Notwithstanding any other provision of this constitution to the contrary,
3 for the purposes of the budget estimate and enactment of the budget for the next
4 fiscal year, when the official forecast of recurring revenues for the next fiscal year
5 is at least one percent less than the official forecast for the current fiscal year, or
6 **when the official forecast of recurring revenues for the next fiscal year has been**
7 **reduced by at least one percent from the most recently adopted estimate for the**
8 **ensuing fiscal year either prior to the governor submitting the executive budget**
9 **to the legislature or during the legislative session prior to the general**
10 **appropriation act being enrolled and submitted to the governor,** the following
11 procedure **procedures** may be employed to avoid a budget deficit in the next fiscal
12 year-:

13 (aa) An amount not to exceed five percent of the total appropriations or
14 allocations for the current fiscal year from any fund established by law or this
15 constitution shall be available for expenditure in the next fiscal year for a purpose
16 other than as specifically provided by law or this constitution.

17 (bb) **An amount not to exceed one percent of the balance in the current**
18 **fiscal year from any fund established by law or this constitution shall be**
19 **available in the next fiscal year for a purpose other than as specifically provided**
20 **by law or this constitution.**

21 (ii) For the purposes of this Subsubparagraph, an amount not to exceed one
22 percent of the current fiscal year appropriation for expenditures required by Article
23 VIII, Section 13(B) of this constitution shall be available for expenditures for other
24 purposes in the next fiscal year. Notwithstanding any other provisions of this
25 constitution to the contrary, monies made available as authorized under this
26 Subsubparagraph may be transferred to a fund for which revenues have been forecast
27 to be less than the revenues in the current fiscal year for such fund, or when the
28 **official forecast of recurring revenues for the next fiscal year has been reduced**
29 **by at least one percent from the most recently adopted estimate for the ensuing**

1 fiscal year either prior to the governor submitting the executive budget to the
2 legislature or during the legislative session prior to the general appropriation
3 act being enrolled and submitted to the governor. Monies transferred as a result
4 of the budget actions authorized by this Subsubparagraph are deemed available for
5 appropriation and expenditure, but in no event shall the aggregate amount of any
6 such transfers exceed the amount of the ~~difference between the official forecast for~~
7 ~~the current fiscal year and the next fiscal year~~ projected deficit for the next fiscal
8 year due to the reduction in the official forecast as contained in this
9 Subsubparagraph.

10 * * *

11 Section 2. Be it further resolved that this proposed amendment shall be submitted to
12 the electors of the state of Louisiana at the statewide election to be held on November 8,
13 2016.

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

18 Do you support an amendment to authorize the use of constitutional and
19 dedicated funds to eliminate a projected deficit if the official forecast for
20 recurring revenues for the next fiscal year is less than the official forecast for
21 the current fiscal year or if the official forecast has been reduced by at least
22 one percent from the most recently adopted estimate for the ensuing fiscal
23 year, either prior to the governor submitting the executive budget to the
24 legislature or during the legislative session prior to the general appropriation
25 act being enrolled and submitted to the governor?

26 (Amends Article VII, Section 10(F)(2)(b))

of such transfers shall not exceed the projected deficit for the next fiscal year due to the reduction in the official forecast.

Specifies submission of the amendment to the voters at the statewide election to be held on November 8, 2016.

(Amends Const. Art. VII, Sec. 10(F)(2)(b))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill

1. Changes authorization to use up to 5% of the total appropriations or allocations for the current fiscal year from any fund in the next fiscal year for a purpose other than as specifically provided by law from report of Legislative Fiscal Officer to the Joint Legislative Committee on the Budget that appropriations for either healthcare or higher education is an amount less than the appropriations in the existing operating budget for the current fiscal year to reduction in official forecast of recurring revenues for the next fiscal year by at least 1% prior to submission of executive budget to the legislature or enrollment and submission to governor of general appropriation bill.
2. Provides another procedure to avoid a budget deficit by making up to 1% of the balance in the current fiscal year from any fund established by law or the constitution, available in the next fiscal year for a purpose other than as specifically provided by law.
3. Changes aggregate amount of transfers pursuant to constitutional provision from the amount of the difference between the official forecasts for the current and next fiscal year to the amount of the projected deficit for the next fiscal year due to the reduction in the official forecast.