

2017 Regular Session

SENATE BILL NO. 98

BY SENATOR DONAHUE

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

FISCAL CONTROLS. Provides for the appropriation of incentive expenditures. (7/1/17)

1 AN ACT

2 To amend and reenact the introductory paragraph of R.S. 39:2(15.1), 24.1(A) and (E)(3),
3 34(A), 51(A)(2), and 56(A) and to enact R.S. 39:36(A)(7), relative to budgetary
4 procedures; to define expenditures and incentive expenditure programs; to provide
5 for inclusion in the executive budget, the general appropriation bill, other
6 appropriation bills, and the state budget of incentive expenditures; to provide for an
7 effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. The introductory paragraph of R.S. 39:2(15.1), 24.1(A) and (E)(3), 34(A),
10 51(A)(2), and 56(A) are hereby amended and reenacted and R.S. 39:36(A)(7) is hereby
11 enacted to read as follows:

12 §2. Definitions

13 As used in this Chapter, except where the context clearly requires otherwise,
14 the words and expressions defined in this Section shall be held to have the meanings
15 here given to them.

16 * * *

17 (15.1) "Incentive expenditures" ~~means~~ **or "incentive expenditure**

1 benefit statutes listed in R.S. 39:2(15.1) administered by the respective agency. Such
 2 estimates shall be an amount that is no less than the estimated amount of reductions
 3 of and payments to be made from current tax collections for each incentive
 4 expenditure program for the current fiscal year. The participants of the conference
 5 shall work in conjunction with the respective agency to finalize all estimates for
 6 presentation to the conference.

7 * * *

8 §34. Executive budget

9 A.(1) The governor shall cause to be prepared an executive budget presenting
 10 a complete financial and programmatic plan for the ensuing fiscal year which shall
 11 include recommendations for appropriations from the state general fund and
 12 dedicated funds which shall not exceed the official forecast of the Revenue
 13 Estimating Conference. Except as provided by R.S. 39:75(E), the executive budget
 14 shall not include recommendations for appropriations from any fund in excess of the
 15 official forecast of money available for appropriation from that fund.

16 **(2) The executive budget for Fiscal Year 2018-2019 and each fiscal year**
 17 **thereafter shall include a separate recommendation for appropriations from the**
 18 **state general fund and dedicated funds for the incentive expenditure programs**
 19 **contained in the incentive expenditure forecast. The incentive expenditure**
 20 **programs shall be stated as a separate description in the program activities of**
 21 **the respective department, agency, or authority of the state which administers**
 22 **the incentive expenditure program. Such incentive expenditures shall not be**
 23 **included as, nor counted towards the operating expenses of the relevant**
 24 **department, agency, or authority. The recommended appropriations shall not**
 25 **exceed the amount estimated in the official forecast for incentive expenditure**
 26 **programs.**

27 * * *

28 §36. Contents and format of executive budget; supporting document

29 A. The executive budget shall present a complete financial and programmatic

1 plan for the ensuing year, and it shall be configured in a format so as to clearly
2 present and highlight the functions and operations of state government and the
3 financial requirements associated with those functions and operations. The executive
4 budget shall be a performance-based budget and as such may include key objectives
5 and key performance indicators. The commissioner of administration may designate
6 key objectives and key performance indicators to be included in the executive
7 budget. Additionally, the executive budget shall include at a minimum the following:

8 * * *

9 **(7) A separate recommendation for appropriations from the state general**
10 **fund and dedicated funds for incentive expenditure programs. The**
11 **recommended appropriations shall not exceed the amount estimated in the**
12 **incentive expenditure forecast. The recommendation for appropriations for**
13 **incentive expenditure programs shall be stated as a separate description in the**
14 **program activities of the respective department, agency, or authority of the**
15 **state which administers an incentive expenditure program. Such incentive**
16 **expenditures shall not be included as, nor counted towards the operating**
17 **expenses of the relevant department, agency, or authority.**

18 * * *

19 §51. General Appropriation Bill; other appropriation bills

20 A.

21 * * *

22 (2) The General Appropriation Bill and other appropriation bills shall not
23 appropriate any funds, as defined in Article VII, Section 10(J) of the Constitution of
24 Louisiana, which are not part of the official forecast **or the incentive expenditure**
25 **forecast** except as provided for in R.S. 39:54(A)(2). **Appropriations in the general**
26 **appropriation bill and other appropriation bills for Fiscal Year 2018-2019 and**
27 **each fiscal year thereafter shall include a separate recommendation setting**
28 **forth the incentive expenditure program, which appropriations shall not exceed**
29 **the amount estimated in the incentive expenditure forecast. The incentive**

1 expenditure programs shall be stated as a separate description in the program
 2 activities of the respective department, agency, or authority of the state which
 3 administers an incentive expenditure program. Such incentive expenditure
 4 programs shall not be included as, nor counted towards the operating expenses
 5 of the relevant department, agency, or authority. Notwithstanding any provision
 6 of law to the contrary, no incentive expenditure program shall be made to any
 7 person unless the incentive expenditure is appropriated as provided in this
 8 Section.

* * *

§56. State budget to be prepared by governor

A. After the passage of the appropriation and revenue acts, but not later than
 October first of each year, the governor shall cause to be prepared a complete state
 budget for the fiscal year. The budget so prepared shall include all the details of the
 financial plan for the fiscal year, as to both expenditures and means of financing as
 presented in the executive budget, with such revision as may be necessary to bring
 them into conformity with the appropriation and revenue acts and other acts to
 provide means of financing, and with the legislative provisions in effect, governing
 administration of the budget. The budget prepared for Fiscal Year 2018-2019 and
each fiscal year thereafter shall include a statement of total incentive
expenditure programs and a statement of incentive expenditure programs by
department.

* * *

Section 2. This Act shall become effective on July 1, 2017; if vetoed by the governor
 and subsequently approved by the legislature, this Act shall become effective on July 1,
 2017, or on the day following such approval by the legislature, whichever is later.

as a separate description in the program activities of the respective department, agency, or authority of the state which administers an incentive expenditure program. Such incentive expenditure programs shall not be included as, nor counted towards the operating expenses of the relevant department, agency, or authority. Incentive expenditure programs shall not be made to any person unless the incentive expenditure is appropriated.

Present law provides that after the passage of the appropriation and revenue acts, but not later than October first of each year, the governor shall cause to be prepared a complete state budget for the fiscal year. The budget so prepared shall include all the details of the financial plan for the fiscal year, as to both expenditures and means of financing as presented in the executive budget, with such revision as may be necessary to bring them into conformity with the appropriation and revenue acts and other acts to provide means of financing, and with the legislative provisions in effect, governing administration of the budget.

Proposed law retains present law but further provides that the budget so prepared for Fiscal Year 2018-2019 and each fiscal year thereafter shall include a statement of total incentive expenditure programs and a statement of incentive expenditure programs by department.

Effective July 1, 2017.

(Amends R.S. 39:2(15.1)(intro para), 24.1(A) and (E)(3), 34(A), 51(A)(2) and 56(A); adds R.S. 39:36(A)(7))