

2020 Regular Session

HOUSE BILL NO. 469

BY REPRESENTATIVES BEAULLIEU AND GAROFALO

1 AN ACT

2 To amend and reenact R.S. 39:33.1(A), (B), and (C), relative to the expenditure limit; to
3 provide for submission of the expenditure limit to the legislature; to provide for the
4 base for determining the expenditure limit; to cap the annual growth of the
5 expenditure limit; to provide for the calculation of the growth factor; to provide for
6 the calculation of state general fund and dedicated funds applicable to the
7 expenditure limit; to provide for effectiveness; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 39:33.1(A), (B), and (C) are hereby amended and reenacted to read
10 as follows:

11 §33.1. Determination of expenditure limit

12 A. The commissioner of administration shall submit a calculation for the
13 expenditure limit for the ensuing fiscal year to the Joint Legislative Committee on
14 the Budget ~~no later than thirty-five days prior to each regular session~~ at the same
15 time the executive budget is submitted to the Joint Legislative Committee on the
16 Budget pursuant to R.S. 39:37.

17 B.(1) The expenditure limit for the ensuing fiscal year shall be the
18 ~~expenditure limit for the current fiscal year plus an amount equal to that limit times~~
19 ~~the growth factor if the growth factor is positive;~~ lesser of the following:

20 (a) The original calculated expenditure limit for the current fiscal year plus
21 an amount equal to that limit times the lesser of five percent or the growth factor.

22 (b) The amount appropriated out of the state general fund and dedicated
23 funds for the current fiscal year plus an amount equal to that appropriated amount
24 times the lesser of five percent or the growth factor.

1 (2) The growth factor is defined as the average of the following four
 2 indicators:

3 (a) The average annual percentage rate of change of personal income for
 4 Louisiana as defined and reported by the United States Department of Commerce,
 5 or its successor agency, for the three calendar years prior to the fiscal year for which
 6 the limit is calculated.

7 (b) The average annual percentage rate of change of the gross domestic
 8 product of Louisiana as defined and reported by the United States Department of
 9 Commerce, or its successor agency, for the three calendar years prior to the fiscal
 10 year for which the limit is calculated.

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

15 (d) The average annual percentage rate of change of the consumer price
 16 index for the South Region as defined and reported by the United States Department
 17 of Labor, or its successor agency, for the three calendar years prior to the fiscal year
 18 for which the limit is calculated.

19 (3) The figures used for the calculation of the growth factor shall be those
 20 actual or estimated figures most recently reported ~~by the United States Department~~
 21 ~~of Commerce~~ at the time the expenditure limit is submitted to the Joint Legislative
 22 Committee on the Budget.

23 ~~(4) The annual percentage rate of change of personal income for the calendar~~
 24 ~~year immediately preceding the fiscal year for which the expenditure limit is~~
 25 ~~calculated shall be derived by:~~

26 ~~(a) Computing the simple average of the available quarterly total personal~~
 27 ~~income estimates for that calendar year.~~

28 ~~(b) Dividing that result by the reported annual estimate of total personal~~
 29 ~~income for the calendar year that is two years prior to the fiscal year for which the~~
 30 ~~limit is calculated.~~

