

1 salary of all persons holding elective or appointive positions in state government and
2 all state government employees, whether classified or unclassified, by not more than
3 one percent; such reductions shall be taken from the state general fund, dedicated
4 funds, fees, or self-generated revenue. Such action shall remain in effect until the
5 end of the fiscal year or as otherwise provided by the action, whichever is later.

6 (b) All revenue savings realized from an action taken pursuant to this
7 Subparagraph shall be retained in or transferred to the state general fund and used to
8 reduce or eliminate the deficit. All revenue saved in excess of the amount needed
9 to eliminate the deficit may be appropriated in the next fiscal year.

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11 Section 2. Be it further resolved that this proposed amendment shall be submitted
12 to 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 the 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 governor or the legislature to
19 reduce salaries of state officials and state employees in order to avoid a
20 budget deficit? (Adds Article VII, Section 10(F)(5))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 573 Engrossed 2016 Regular Session Bacala

Abstract: Authorizes the governor, with Joint Legislative Committee on the Budget (JLCB) approval, or the legislature, to reduce all state salaries by up to 1% if a budget deficit is projected.

Present constitution provides for the Revenue Estimating Conference which is responsible for developing the official forecast of state revenue available for appropriation. Requires the legislature to provide by law for procedures to determine if appropriations will exceed forecasted revenues and methods of adjusting appropriations to eliminate the projected deficit.

Proposed constitutional amendment retains present constitution and additionally authorizes, if a budget deficit is projected, the governor subject to JLCB approval if the legislature is not in session, or the legislature by law if it is in session, to reduce the salary of all persons holding elective or appointive state positions and all state government employees by up to 1%.

Proposed constitutional amendment provides that such actions remain in effect until the end of the fiscal year or as otherwise provided by the action, whichever is later. Requires that savings realized shall be retained in or transferred to the state general fund and used to reduce or eliminate the deficit; however, authorizes appropriation of revenue saved in excess of the amount needed to eliminate the deficit in the next fiscal year.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2016.

(Adds Const. Art. VII, §10(F)(5))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Delete authority to prohibit the filling of any vacant positions in state government and the creation of new positions.