

1 ~~Section 4, Paragraphs (D) and (E).~~ For subsequent fiscal years, the limit shall not
2 exceed the expenditure limit for the current fiscal year plus an amount equal to that
3 limit times a positive growth factor. ~~The~~ If the procedure established by the
4 legislature for determination of an expenditure limit includes application of a growth
5 factor, such growth factor shall not exceed five percent. ~~is the average annual~~
6 ~~percentage rate of change of personal income for Louisiana as defined and reported~~
7 ~~by the United States Department of Commerce for the three calendar years prior to~~
8 ~~the fiscal year for which the limit is calculated.~~ The legislature shall enact laws for
9 the implementation of this Subparagraph. Once these laws are enacted, they may be
10 changed only by law enacted by the favorable vote of two-thirds of the elected
11 members of each house.

12 (2) The expenditure limit may be changed ~~in any fiscal year~~ by a favorable
13 vote of two-thirds of the elected members of each house if the limit for the fiscal
14 year in which the change is enacted and the limit for the immediately prior fiscal
15 year are each less than one hundred one percent of their respective prior limits. Any
16 such change in the expenditure limit shall be approved by passage of a specific
17 legislative instrument which clearly states the intent to change the limit. If the
18 legislature has increased the expenditure limit for a fiscal year pursuant to the
19 provisions of this Subparagraph, calculation of the expenditure limit for the fiscal
20 year immediately following the fiscal year for which a change was made shall not
21 be made using the increased limit. If the current or prior year's limit is a component
22 of the calculation, such calculation shall use the limit established for such fiscal year
23 prior to the legislature's change.

24 (3) ~~Beginning with the 1995-1996 Fiscal Year, the~~ The expenditure limit
25 shall be determined in accordance with the provisions of Paragraph (J) of this
26 Section. ~~The redetermination of the expenditure limit for each fiscal year from the~~
27 ~~1991-1992 Fiscal Year through the 1994-1995 Fiscal Year shall only be used in~~
28 ~~computing the expenditure limit for the 1995-1996 Fiscal Year and shall not affect~~
29 ~~the expenditure limit already computed in accordance with this Paragraph for such~~

1 ~~fiscal years.~~ Notwithstanding any provision of this Paragraph to the contrary, for
2 Fiscal Year 2025-2026, the expenditure limit shall equal the actual appropriations
3 from the state general fund and dedicated funds for Fiscal Year 2023-2024 plus the
4 product of such amount times three percent.

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6 Section 2. Be it further resolved that this proposed amendment shall be submitted
7 to the electors of the state of Louisiana at the statewide election to be held on November 5,
8 2024.

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

13 Do you support an amendment to change the calculation of the expenditure
14 limit, which establishes an annual maximum on legislature's ability to
15 appropriate funds, and to restrict the legislature's ability to change both the
16 calculation of such limit and the limit itself once calculated? (Amends Article
17 VII, Section 10(C)(1) through (3))

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 526 Original

2024 Regular Session

Beaulieu

Abstract: Provides for changes in calculation of the expenditure limit.

Present constitution requires the legislature to provide for the determination of an expenditure limit (hereafter "limit") for each fiscal year to be established during the first quarter of the calendar year for the next fiscal year. Proposed constitutional amendment retains present constitution. Further defines the limit as a limit on the amount of state general fund and dedicated funds that may be appropriated by the legislature in a given fiscal year.

Present constitution establishes the calculation of the limit as the prior year's limit plus a positive growth factor, which is the average annual percentage rate of change of personal income for La. as defined and reported by the U.S. Dept. of Commerce for the three calendar years prior to the fiscal year for which the limit is calculated. Proposed constitutional amendment repeals this calculation. Requires the legislature to provide for the calculation of the expenditure limit by law. Further provides that if the procedure established by the

legislature includes application of a growth factor, such growth factor shall not exceed five percent of the expenditure limit for the year in which the limit is calculated.

Proposed constitutional amendment provides that after the effective date of proposed constitutional amendment, the procedure established by the legislature pursuant to the provisions of proposed constitutional amendment shall not be changed except by a law enacted by two-thirds of the elected members of each house of the legislature.

Present constitution authorizes the legislature to change the limit in a fiscal year by a two-thirds vote. Proposed constitutional amendment authorizes the legislature to change the expenditure limit by a two-thirds vote if the limit for the fiscal year in which the change is enacted and the limit for the immediately prior fiscal year are each less than 101% of their respective prior limits.

Present constitution requires passage of a specific legislative instrument which clearly states the intent to change the limit. Proposed constitutional amendment retains present constitution.

Proposed constitutional amendment provides that if the legislature has increased the limit for a fiscal year pursuant to the provisions of present constitution and proposed constitutional amendment, the limit for the fiscal year immediately following the fiscal year for which a change was made shall not be calculated using the increased limit. Requires any such calculation to use the limit established prior to the legislature's change.

Present constitution requires the limit to be calculated using the present constitution definition of state general fund and dedicated funds (All money required to be deposited in the state treasury, except that money the origin of which is: (1) The federal government; (2) Self-generated collections by any entity subject to the policy and management authority established by Art. VIII, Sec. 5 through 7; (3) A transfer from another state agency, board, or commission.).

Proposed constitutional amendment repeals provisions relative to calculation of prior limits using the present constitution methodology.

Proposed constitutional amendment provides that, notwithstanding any provision of proposed constitutional amendment to the contrary, the limit for FY 2025-2026 shall equal the actual appropriations from the state general fund and dedicated funds for FY 23-24 plus the product of such amount times three percent.

Present constitution provides that the limit shall not apply to payments made pursuant to present constitution to locals for severance tax allocations or royalties. Proposed constitutional amendment retains present constitution.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 5, 2024.

(Amends Const. Art. VII, §10(C)(1)-(3))