

1 for each fiscal year to be established during the first quarter of the calendar year for
2 the next fiscal year. However, the expenditure limit for the 1991-1992 Fiscal Year
3 shall be the actual appropriations from the state general fund and dedicated funds for
4 that year except funds allocated by Article VII, Section 4, Paragraphs (D) and (E).
5 For subsequent fiscal years, the limit shall not exceed the expenditure limit for the
6 current fiscal year plus an amount equal to that limit times a positive growth factor.
7 The growth factor is the average annual percentage rate of change of personal
8 income for Louisiana as defined and reported by the United States Department of
9 Commerce for the three calendar years prior to the fiscal year for which the limit is
10 calculated.

11 ~~(2)~~ (b) The expenditure limit may be changed in any fiscal year by a
12 favorable vote of two-thirds of the elected members of each house. Any such change
13 in the expenditure limit shall be approved by passage of a specific legislative
14 instrument which clearly states the intent to change the limit.

15 ~~(3)~~ (c) Beginning with the 1995-1996 Fiscal Year, the expenditure limit shall
16 be determined in accordance with the provisions of Paragraph (J) of this Section.
17 The redetermination of the expenditure limit for each fiscal year from the 1991-1992
18 Fiscal Year through the 1994-1995 Fiscal Year shall only be used in computing the
19 expenditure limit for the 1995-1996 Fiscal Year and shall not affect the expenditure
20 limit already computed in accordance with this Paragraph for such fiscal years.

21 ~~(4)~~ ~~The provisions of this Paragraph shall not apply to or affect funds~~
22 ~~allocated by Article VII, Section 4, Paragraphs (D) and (E):~~

23 (2) Government Growth Limit. (a) Beginning with a limit for the 2027-
24 2028 fiscal year, there shall be a limit for each fiscal year above which appropriation
25 of recurring revenue from the State General Fund (Direct) means of finance can only
26 be made for the purposes provided in this Subparagraph. Such limit shall be known
27 as the Government Growth Limit and shall be established by the Revenue Estimating
28 Conference no later than the first quarter of the calendar year for the next fiscal year.

1 The legislature shall establish procedures by law for the calculation and application
2 of such limit.

3 (b) Recurring revenue amounts recognized in the official forecast for the
4 State General Fund (Direct) means of finance that are above the Government Growth
5 Limit and below the expenditure limit may be appropriated only for nonrecurring
6 expenses. For the purposes of this Subsubparagraph, the term "nonrecurring
7 expense" means an expense that is not of a continuing or recurring character and that
8 in the normal course of administration is not expected to be necessary in
9 approximately the same amounts each year.

10 (c) The legislature may provide by law for exceptions to application of the
11 limit calculated pursuant to the provisions of this Section.

12 (d) A Government Growth Limit may be changed by a favorable vote of
13 two-thirds of the elected members of each house of the legislature if each of the
14 growth factors for any of the three fiscal years immediately preceding the year to be
15 changed was two and one-half percent or less. Any change in the Government
16 Growth Limit authorized by this Subsubparagraph shall be approved by passage of
17 a specific legislative instrument which clearly states the intent to change the limit.

18 (3) The provisions of this Paragraph shall not apply to or affect funds
19 allocated by Article VII, Section 4, Paragraphs (D) and (E).

20 * * *

21 (E) ~~Balanced Budget. Appropriations by the legislature~~ from the state
22 general fund and dedicated funds for any fiscal ~~year year~~, except funds allocated by
23 Article VII, Section 4, Paragraphs (D) and (E), shall not exceed the official forecast
24 in effect at the time the appropriations are made. Appropriations of recurring
25 revenue from the State General Fund (Direct) means of finance, shall comply with
26 the provisions of Subparagraph (C)(2) of this Section.

27 * * *

1 §11. Budgets

2 Section 11.(A) Budget Estimate. The governor shall submit to the
3 legislature, at the time and in the form fixed by law, a budget estimate for the next
4 fiscal year setting forth all proposed state expenditures. This budget shall include
5 a recommendation for appropriations from the state general fund and from dedicated
6 funds, except funds allocated by Article VII, Section 4, Paragraphs (D) and (E),
7 which shall not exceed the official forecast of the Revenue Estimating Conference
8 and the expenditure limit for the fiscal year. The recommendation shall also comply
9 with the provisions of Article VII, ~~Section~~ Sections 10(C)(2) and (D). This budget
10 shall include a recommendation for funding of state salary supplements for full-time
11 law enforcement and fire protection officers of the state, as provided in Article VII,
12 Section 10(D)(3) of this constitution.

13 * * *

14 Section 2. Notwithstanding any provision of this Act to the contrary, the
15 Government Growth Limit for the 2027-2028 Fiscal Year shall equal the base, plus the
16 product of such amount and three percent. For the purposes of this Section, "the base" shall
17 mean the total of appropriations for recurring expenses from the State General Fund (Direct)
18 means of finance for the immediately prior fiscal year; however, the base shall not include
19 any appropriation or allocation excluded from analysis of appropriation totals in relation to
20 the expenditure limit. The commissioner of administration shall cause the limit for Fiscal
21 Year 2027-2028 to be calculated pursuant to the provisions of this Section and shall submit
22 such limit to the Joint Legislative Committee on the Budget no later than January 31, 2027.

23 Section 3. Be it further resolved that this proposed amendment shall be submitted
24 to the electors of the state of Louisiana at the statewide election to be held on November 3,
25 2026.

26 Section 4. Be it further resolved that on the official ballot to be used at the election,
27 there shall be printed a proposition, upon which the electors of the state shall be permitted
28 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
29 follows:

1 Do you support an amendment to require the legislature to establish a
 2 procedure for the calculation of a limit to restrict any increase in the amount
 3 of recurring revenue the legislature may appropriate from the state general
 4 fund in any fiscal year; to provide restrictions on use of monies available for
 5 appropriation in excess of this limit; to authorize exceptions to the limit in
 6 certain circumstances; and to require the governor's proposed budget each
 7 year to conform to this limit? (Amends Article VII, Sections 10(C) and (E)
 8 and 11(A))

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 646 Original

2026 Regular Session

Beaulieu

Abstract: Beginning with Fiscal Year 2027-2028, establishes the Government Growth Limit (growth limit) to restrict the growth in the total amount of recurring state general fund monies the legislature may appropriate in any fiscal year.

Present constitution (Art. VII, §10) requires the legislature to provide for the determination of an expenditure limit for each fiscal year for state general fund and dedicated fund appropriations. Proposed constitutional amendment retains present constitution.

Proposed constitutional amendment (Art. VII, §10) further establishes the growth limit for Fiscal Year 2027-2028 and for each fiscal year thereafter. Except in certain limited circumstances provided in proposed constitutional amendment, prohibits spending of recurring revenues above such limit. Requires the Revenue Estimating Conference to adopt a growth limit no later than the first quarter of the calendar year for the ensuing fiscal year. Further requires the legislature to provide by law for a procedure to calculate such limit.

Proposed constitution restricts appropriation of recurring revenue amounts recognized in the official forecast above the growth limit and below the expenditure limit to nonrecurring expenses. For the purposes of proposed constitutional amendment, the term "nonrecurring expense" means an expense that is not of a continuing or recurring character and that in the normal course of administration is not expected to be necessary in approximately the same amounts each year.

Further authorizes the legislature to change a growth limit by a favorable vote of two-thirds of the elected members of each house if each of the growth factors for any of the three fiscal years immediately preceding the year to be changed was two and one-half percent or less. Requires any change to the limit be approved by passage of a specific legislative instrument which clearly states the intent to change the limit.

Proposed constitutional amendment exempts certain severance and royalty payments made pursuant to present constitution (Art. VII, §4(D) and (E)) from the provisions of proposed constitutional amendment.

Present constitution prohibits appropriations from the State General Fund (Direct) means of finance for any fiscal year from exceeding the official forecast in effect at the time the appropriations are made. Proposed constitutional amendment retains present constitution. Further requires appropriations of recurring revenues to comply with the provisions of proposed constitutional amendment regarding the growth limit.

Present constitution (Art. VII, Sec. 11(A)) establishes timing and content requirements for the governor's annual proposed budget. Prohibits the proposed budget from exceeding the official forecast and the expenditure limit for the fiscal year being appropriated. Proposed constitutional amendment retains present constitution. Present constitution requires the proposed budget to comply with the provisions of present constitution regarding use of nonrecurring revenues. Proposed constitutional amendment also requires the proposed budget to comply with the provisions of the growth limit.

Proposed constitutional amendment establishes the initial growth limit (for Fiscal Year 2027-2028) as equal to the appropriations for recurring expenses from the State General Fund (Direct) means of finance for Fiscal Year 2025-2026 plus the product of such amount and three percent. Provides for calculation of the base for the initial growth limit. Requires the commissioner of administration to calculate such limit and submit it to the Joint Legislative Committee on the Budget no later than Jan. 31, 2027.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 3, 2026.

(Amends Const. Art. VII, §§10(C) and (E) and 11(A))