

2026 Regular Session

HOUSE BILL NO. 824

BY REPRESENTATIVE BEAULLIEU

APPROPRIATIONS: Limits the amount of state general fund that may be appropriated in a fiscal year

1 AN ACT  
2 To amend and reenact R.S. 39:34(C), 38(B), and 54(C) and to enact R.S. 39:33.3, relative  
3 to state finances; to provide relative to the calculation of a limit above which certain  
4 funds may be appropriated only for certain purposes; to provide relative to  
5 exceptions; to provide for definitions; to provide relative to the authority of the  
6 governor; to provide relative to the powers and duties of the commissioner of  
7 administration; to provide relative to the powers and duties of the Revenue  
8 Estimating Conference; to provide for a special effective date; and to provide for  
9 related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 39:34(C), 38(B), and 54(C) are hereby amended and reenacted and  
12 R.S. 39:33.3 is hereby enacted to read as follows:

13 §33.3. Determination of Government Growth Limit

14 A. The Government Growth Limit, hereafter referred to in this Section as the  
15 "growth limit", shall be established by the Revenue Estimating Conference no later  
16 than the first quarter of each calendar year for the next fiscal year and is a limit  
17 above which appropriation of recurring revenue from the State General Fund (Direct  
18 means of finance shall be made only for the purposes provided in this Section. The  
19 commissioner of administration shall cause a calculation of the ensuing year's growth

1 limit to be submitted to the Revenue Estimating Conference each year for the  
2 conference's consideration and adoption.

3 B. After adoption by the Revenue Estimating Conference, the chairman of  
4 the conference shall cause the growth limit for the ensuing fiscal year to be  
5 submitted to the Joint Legislative Committee on the Budget by the deadline for  
6 submission of the executive budget to such committee.

7 C.(1) If the growth factor provided in this Paragraph is positive, the growth  
8 limit for the ensuing fiscal year shall be calculated as the sum of the base plus the  
9 result of the base times the growth factor in accordance with the following  
10 provisions:

11 (a) The growth factor shall only be applied to the base once for each annual  
12 calculation and shall equal the sum of the following:

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

17 (ii) The average of the following:

18 (aa) The average annual percentage rate of change through December of the  
19 chained consumer price index for the United States as defined and reported by the  
20 United States Department of Labor, Bureau of Labor Statistics, or its successor  
21 agency, for the five calendar years prior to the fiscal year for which the limit is  
22 calculated.

23 (bb) The average annual percentage rate of change through December of the  
24 chained consumer medical care price index for the United States as defined and  
25 reported by the United States Department of Labor, Bureau of Labor Statistics, or its  
26 successor agency, for the five calendar years prior to the fiscal year for which the  
27 limit is calculated.





Proposed law requires the calculation and adoption each year of a growth limit that restricts the growth in the total amount of recurring monies from the State General Fund (Direct) means of finance that the legislature may appropriate in any fiscal year. Requires the commissioner of administration to submit a calculation of the ensuing year's growth limit to Revenue Estimating Conference (REC) each year for the conference's consideration and adoption. Requires the REC to adopt a growth limit for the ensuing fiscal year no later than the first quarter of each calendar year. Further requires the chairman of REC to submit the adopted limit for the ensuing fiscal year to the Joint Legislative Committee on the Budget by the deadline for submission of the executive budget each year.

Proposed law establishes the calculation for the growth limit. If the growth factor, described below, is positive, the calculation is the sum of the appropriations for recurring expenses from the State General Fund (Direct) means of finance for the immediately prior fiscal year, less certain excepted expenditures (the base), plus the product of the base times the growth factor.

Proposed law establishes calculation of the "growth factor" as the sum of the following:

- (1) The average annual percentage rate of change in population for Louisiana, as defined and reported by the United States Department of Commerce, or its successor agency, for the five calendar years prior to the fiscal year for which the growth limit is calculated.
- (2) The average of the following:
  - (a) The average annual percentage rate of change through December of the chained-consumer price index for the United States as defined and reported by the United States Department of Labor, Bureau of Labor Statistics, or its successor agency, for the five calendar years prior to the fiscal year for which the growth limit is calculated.
  - (b) The average annual percentage rate of change through December of the chained-consumer medical care price index for the United States as defined and reported by the United States Department of Labor, Bureau of Labor Statistics, or its successor agency, for the five calendar years prior to the fiscal year for which the growth limit is calculated.

If the growth factor is negative, proposed law provides that the growth limit for the ensuing year shall equal the base.

Requires figures used in calculation of the growth limit to be those most recently reported at the time the growth limit is adopted by REC.

Proposed law provides that recurring revenue amounts recognized in the official forecast above the growth limit and below the expenditure limit may only be appropriated for nonrecurring expenses. For the purposes of proposed law, 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.

Proposed law establishes exceptions regarding application of the limit to appropriations from any of the following:

- (1) Funds from the Budget Stabilization Fund incorporated into the official forecast for the current fiscal year.
- (2) Funds appropriated as a result of certain means of financing substitutions.

- (3) Funds appropriated or allocated that are excluded from the analysis of appropriation totals in relation to the expenditure limit.

Present law (R.S. 39:34) prohibits the executive budget recommendations for appropriations from exceeding the expenditure limit for the ensuing fiscal year. Proposed law retains present law and further prohibits executive budget recommendations for appropriations of recurring revenue from exceeding the growth limit for the ensuing fiscal year.

Present law (R.S. 39:38) requires any proposal by the governor to exceed the expenditure limit to be itemized by program and to constitute a submission by the governor separate and apart from the executive budget. Proposed law provides that any proposal by the governor to exceed the expenditure limit, the growth limit, or both shall constitute a separate submission from the executive budget.

Present law (R.S. 39:54) prohibits appropriations from the state general fund and dedicated funds for any fiscal year from exceeding the expenditure limit. Proposed law retains present law and further requires appropriations to be in conformity with proposed law relative to the growth limit.

Effective if and when the proposed amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. \_\_\_ of the 2026 Regular Session of the Legislature is adopted at a statewide election and becomes effective.

(Amends R.S. 39:34(C), 38(B), and 54(C); Adds R.S. 39:33.3)