First Extraordinary Session, 2005

HOUSE BILL NO. 146

BY REPRESENTATIVES ALARIO AND SALTER

FUNDS/FUNDING: (Constitutional Amendment) Provides for the appropriation of additional amounts in the Budget Stabilization Fund following the declaration of a state disaster or emergency (Item #19)

1	A JOINT RESOLUTION
2	Proposing to amend Article VII, Section 10.3(C)(3) of the Constitution of Louisiana, relative
3	to the Budget Stabilization Fund; to provide for appropriations from the fund
4	following certain declarations of disaster or emergency; to provide for an effective
5	date; to provide for submission of the proposed amendment to the electors; and to
6	provide for related matters.
7	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
8	elected to each house concurring, that there shall be submitted to the electors of the state of
9	Louisiana, for their approval or rejection in the manner provided by law, a proposal to
10	amend Article VII, Section 10.3(C)(3) of the Constitution of Louisiana, to read as follows:
11	§10.3. Budget Stabilization Fund
12	Section 10.3.
13	* * *
14	(C) The money in the fund shall not be available for appropriation or use
15	except under the following conditions:
16	* * *
17	(3) In no event shall the amount included in the official forecast for the next
18	fiscal year plus the amount appropriated in the current fiscal year exceed one-third
19	of the fund balance at the beginning of the current fiscal year. Notwithstanding any

Page 1 of 3

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	other provision of this constitution to the contrary, if a deficit for the current fiscal
2	year is projected due to a decrease in the official forecast following the declaration
3	by the governor of a state disaster or emergency, an amount not to exceed seventy-
4	five percent of the fund shall be available for appropriation pursuant to this
5	Subparagraph. The amount available for appropriation shall not exceed the amount
6	of the projected deficit and shall be incorporated into the official forecast upon the
7	consent of two-thirds of the elected members of each house of the legislature, such
, 8	consent being provided in writing, in a manner established by law, if the legislature
9	is not in session.
9 10	<u>15 HOU III SESSIOII.</u> * * * *
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 February 4,
13	2006.
14	Section 3. Be it further resolved that on the official ballot to be used at said election
15	there shall be printed a proposition, upon which the electors of the state shall be permitted
16	to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
17	read as follows:
18	Notwithstanding any other provision of this constitution to the contrary,
19	authorizes appropriation of up to seventy-five percent of monies in the
20	Budget Stabilization Fund if a deficit for the current fiscal year is projected
21	due to a decrease in the official forecast following the declaration by the
22	governor of a state disaster or emergency. The amount available for
23	appropriation shall not exceed the amount of the projected deficit and shall
24	be incorporated into the official forecast upon the consent of two-thirds of the
25	elected members of each house of the legislature, such consent being
26	provided in writing, in a manner established by law, if the legislature is not
27	in session. (Amends Article VII, Section 10.3(C)(3))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

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HB No. 146

Abstract: Authorizes appropriation of up to 75% of the Budget Stabilization Fund to address a deficit following the declaration of a state disaster or emergency.

<u>Present constitution</u> provides for the establishment of a Budget Stabilization Fund, the deposits into the fund, and appropriations from the fund in certain circumstances related to revenue shortfalls.

<u>Present constitution</u> limits appropriations from the fund to one-third of the fund balance, which may be appropriated after two-thirds vote of both houses of the legislature.

<u>Proposed constitutional amendment</u> retains <u>present constitution</u> and provides that notwithstanding any other provision of <u>present constitution</u> to the contrary, authorizes appropriation of up to 75% of monies in the Budget Stabilization Fund if a deficit for the current fiscal year is projected due to a decrease in the official forecast following the declaration by the governor of a state disaster or emergency. The amount available for appropriation shall not exceed the amount of the projected deficit and shall be incorporated into the official forecast upon the consent of two-thirds of the elected members of each house of the legislature, such consent being provided in writing, in a manner established by law, if the legislature is not in session.

Provides for submission of the proposed amendment to the voters at the statewide election to be held February 4, 2006.

(Amends Const. Art. VII, §10.3(C)(3))