HLS 051ES-471 ORIGINAL

First Extraordinary Session, 2005

HOUSE BILL NO. 150

1

BY REPRESENTATIVE M. POWELL

FUNDS/FUNDING-BUDGET, ST: (Constitutional Amendment) Creates the Louisiana Deficit Reduction Fund in state treasury (Item #27)

A JOINT RESOLUTION

2 Proposing to add Article VII, Section 10.13 of the Constitution of Louisiana, relative to state 3 funds; to create the Louisiana Deficit Reduction Fund in the state treasury; to provide 4 for the deposit of monies into the fund; to provide for the use of monies in the fund; 5 to provide submission of the proposed amendment to the electors and provide a ballot proposition; and to provide for related matters. 6 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 add 10 Article VII, Section 10.13 of the Constitution of Louisiana, to read as follows: 11 §10.13. Louisiana Deficit Reduction Fund 12 Section 10.13.(A) There is hereby established in the state treasury a 13 Louisiana Deficit Reduction Fund hereinafter referred to as the "fund". One hundred 14 percent of any money designated in the official forecast as nonrecurring as provided 15 in Article VII, Section 10(D)(2) of this constitution shall be deposited in and credited 16 to the fund. Money from other sources, such as donations, appropriations, or 17 dedications, may be deposited in and credited to the fund. 18 (B) Money in the fund shall be invested as provided by law. Earnings 19 realized in each fiscal year on the investment of monies in the fund shall be

1	deposited to the credit of the fund. All unexpended and unencumbered monies in the
2	fund at the end of the fiscal year shall remain in the fund.
3	C. The money in the fund shall be available for appropriation for the
4	payment of operating expenses of the state for a fiscal year in which there is a
5	projected deficit of nine hundred million dollars or more, as well as for the purposes
6	set forth in Article VII, Section 10(D)(2).
7	D. Notwithstanding any provision of this constitution to the contrary, the
8	treasurer shall deposit into the fund all monies from Fiscal Year 2004-2005
9	designated in the official forecast as nonrecurring as provided in Article VII, Section
10	10(D)(2) of this constitution.
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	To establish the Louisiana Deficit Reduction Fund in the state treasury; to
19	provide that the source of monies deposited into the fund shall be out of
20	certain nonrecurring revenues of the state; to provide that monies in the fund
21	may be used for operating expenses of the state when there is a projected
22	state deficit of nine hundred million dollars or more. (Adds Article VII,
23	Section 10.13)

DIGEST

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

M. Powell HB No. 150

Abstract: Creates Louisiana Deficit Reduction Fund in the state treasury.

<u>Proposed constitutional amendment</u> creates the Louisiana Deficit Reduction Fund in the state treasury. Provides that 100% of any money designated in the official forecast as

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

nonrecurring as provided in Article VII, §10(D)(2) of the constitution shall be deposited in and credited to the fund. Money from other sources, such as donations, appropriations, or dedications, may be deposited in and credited to the fund.

<u>Proposed constitutional amendment</u> provides that money in the fund shall be invested as provided by law. Earnings realized in each fiscal year on the investment of monies in the fund shall be deposited to the credit of the fund. All unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund.

<u>Proposed constitutional amendment</u> provides that money in the fund shall be available for appropriation for the payment of operating expenses of the state for a fiscal year in which there is a projected deficit of \$900 million or more and for the purposes set forth in Article VII, \$10(D)(2).

<u>Proposed constitutional amendment</u> provides that notwithstanding any provision of the constitution to the contrary, the treasurer shall deposit into the fund all monies from Fiscal Year 2004-2005 designated in the official forecast as nonrecurring.

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

(Adds Const. Art. VII, §10.13)