

Regular Session, 2014

HOUSE BILL NO. 1173

BY REPRESENTATIVE CHAMPAGNE

BUDGETARY CONTROLS: Prohibits certain types of funding for nongovernmental organizations if the continuation budget indicates a deficit

1 AN ACT

2 To amend and reenact R.S. 39:122(A) and to enact R.S. 39:54(D), relative to budgetary
3 controls; to prohibit appropriations and lines of credit for nongovernmental
4 organizations in certain circumstances; to provide for exceptions; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 39:122(A) is hereby amended and reenacted and R.S. 39:54(D) is
8 hereby enacted to read as follows:

9 §54. Limitations on appropriations

10 * * *

11 D.(1) Except as provided in Paragraph (3) of this Subsection, the legislature
12 shall not appropriate any state general fund or dedicated funds by line item to a
13 nongovernmental entity which is neither a budget unit of the state nor a political
14 subdivision of the state for any fiscal year for which the continuation budget
15 submitted in accordance with R.S. 39:29 estimates that expenditures will exceed the
16 official forecast in effect on the date the continuation budget is submitted to the Joint
17 Legislative Committee on the Budget.

18 (2) For the purposes of this Subsection, appropriations to a nongovernmental
19 entity shall not mean any of the following:

(a) Appropriations for the payment of money judgments against the state, including but not limited to consent judgments, stipulated judgments, and judgments rendered by the Board of Tax Appeals.

(b) Appropriations to voluntary councils on aging, public community water systems, and volunteer fire departments.

(c) Appropriations to nongovernmental entities authorized by specific provisions of the Louisiana Revised Statutes of 1950 and the Constitution of Louisiana.

(3) For any fiscal year for which the continuation budget submitted in accordance with R.S. 39:29 estimates that expenditures will exceed the official forecast in effect on the date the continuation budget is submitted to the Joint Legislative Committee on the Budget, the legislature may appropriate funds in the capital outlay act to a nongovernmental entity project in the same amount as any line of credit that was approved by the State Bond Commission in the prior fiscal year.

* * *

§122. Commencement of work

A. No work shall commence and no contract shall be entered into for any project contained in the capital outlay act unless and until funds are available from the cash sources indicated in the act or from the sale of bonds or from a line of credit approved by the State Bond Commission, except contracts for Department of Transportation and Development projects which are subject to the provisions of R.S. 48:251(D). The Joint Legislative Committee on Capital Outlay shall make recommendations to the commissioner of administration concerning the non-state entity projects to be granted lines of credit. The commissioner of administration shall submit to the Joint Legislative Committee on Capital Outlay a list of projects that will be submitted to the State Bond Commission for lines of credit a minimum of five days prior to the submission to the State Bond Commission. The commissioner of administration shall not submit to the Joint Legislative Committee on Capital Outlay or to the State Bond Commission a recommendation for a line of

1 credit for any project for a non-state entity which is not a governmental unit in any
2 fiscal year for which the continuation budget submitted in accordance with R.S.
3 39:29 estimates that expenditures will exceed the official forecast in effect on the
4 date which the continuation budget is submitted to the Joint Legislative Committee
5 on the Budget.

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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)]

Champagne

HB No. 1173

Abstract: Prohibits appropriating funds by line item to, or issuing lines of credit for, nongovernmental entities when the continuation budget indicates that projected expenditures exceed projected revenues.

Present law (R.S. 39:29) requires a continuation budget to be prepared by the budget office and submitted to the Joint Legislative Committee on the Budget (JLCB) at the JLCB's first meeting after January 1.

Proposed law prohibits the legislature from appropriating state general fund or dedicated funds by line item to nongovernmental entities for the same year that the continuation budget submitted under present law indicates that projected expenditures will exceed the official forecast in effect on the date the continuation budget was submitted to the JLCB.

The prohibition in proposed law does not apply to the payment of money judgments against the state; appropriations to voluntary councils on aging, public community water systems, and volunteer fire departments; and appropriations to nongovernmental entities authorized by specific statutory and constitutional provisions.

Present law (R.S. 39:122) requires the commissioner of administration to submit to the Joint Legislative Committee on Capital Outlay a list of projects to be submitted to the State Bond Commission for lines of credit.

Proposed law prohibits the commissioner of administration from submitting non-state nongovernmental projects to the Joint Legislative Committee on Capital Outlay or the State Bond Commission in any fiscal year for which the continuation budget estimates that expenditures will exceed the official forecast.

Proposed law authorizes the legislature to appropriate funds in the capital outlay act to a nongovernmental entity in the amount of any lines of credit previously approved by the State Bond Commission for the same year that the continuation budget submitted under present law indicates that projected expenditures will exceed the official forecast.

(Amends R.S. 39:122(A); Adds R.S. 39:54(D))