

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

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

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

18 (2)(a) The legislature shall provide by law for the determination of an
19 appropriation limit of state general fund for the next fiscal year to be established by
20 the first month of the calendar year. The appropriation limit shall not exceed the
21 official forecast of state general fund for the current fiscal year times the average
22 annual change in the three previous years of gross domestic product for the state, the
23 percentage change in the state's personal income, and the percentage change in the
24 consumer price index, plus the annual average percentage change of the state
25 population in the two previous years. Such determination of the appropriation limit
26 for the next fiscal year may be adjusted if there is a change in the official forecast for
27 the current fiscal year prior to July first.

1 fund revenue over the established limit; to use the trust for state costs
 2 associated with a federally declared disaster and to reimburse tax payers for
 3 their tax liabilities once the balance has reached a certain amount? (Amends
 4 Article VII, Sections 10(C) and (D)(1), and 11(A); Adds Article VII, Section
 5 10.17)

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 442 Original

2017 Regular Session

Hensgens

Abstract: Requires the annual establishment of an appropriation limit and restricts appropriations to that amount. Establishes the Taxpayers Refund Trust and deposits into the fund an amount of state general fund over the appropriation limit.

Present constitution establishes the Revenue Estimating Conference and requires the conference to prepare and revise estimates of money received by the state. The most recently adopted estimate of money received is the official forecast.

Proposed constitutional amendment requires the legislature to provide for the establishment of an appropriation limit. The limit is a 3 year average annual change in gross domestic product, personal income, and the consumer price index plus the population change in the previous 2 years.

Present constitution provides for certain limits on the appropriation of state general fund, including that the appropriation does not exceed the official forecast.

Proposed constitutional amendment further limits the appropriation of state general fund to the appropriation limit established in the proposed constitutional amendment.

Present constitution requires the governor to submit to the legislature a recommendation of appropriations for the next fiscal year that does not exceed the official forecast.

Proposed constitutional amendment further limits the appropriations recommended to the legislature by the governor to the appropriation limit established in the proposed constitutional amendment.

Proposed constitutional amendment creates the Taxpayers Refund Trust as a special treasury fund and requires the treasurer to deposit into the fund an amount of state general fund revenue in excess of the appropriation limit.

Further provides that appropriation from the fund shall be made as follows:

- (1) If there is a declared disaster by the federal government, an amount not to exceed the state costs associated with such disaster.
- (2) In any fiscal year in which the balance at the beginning of the fiscal year is in excess of 2% of the official forecast of state general fund for that fiscal year, an amount equal to the balance for the purpose of reimbursing taxpayers for their tax liabilities. Further requires the legislature to provide for the reimbursement in law.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 14, 2017.

(Amends Const. Art. 7, §§10(C) and (D)(1), and 11(A); Adds Const. Art. 7, §10.17)