

2024 Third Extraordinary Session

HOUSE BILL NO. 13

BY REPRESENTATIVE GEYMAN AND SENATORS BASS, CATHEY, CLOUD,
EDMONDS, FESI, HENRY, HENSGENS, HODGES, KLEINPETER, MIGUEZ,
MILLER, PRESSLY, SEABAUGH, STINE, AND WOMACK

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

22 B. After adoption by the Revenue Estimating Conference, the chairman of
23 the conference shall cause the growth limit for the ensuing fiscal year to be

1 submitted to the Joint Legislative Committee on the Budget by the deadline for
2 submission of the executive budget to such committee.

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

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

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

13 (ii) The average of the following:

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

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

24 (b) The figures used for the calculation of the growth factor shall be those
25 actual or estimated figures most recently reported at the time the growth limit is
26 adopted by the Revenue Estimating Conference.

27 (c) The base shall be the total of appropriations for recurring expenses from
28 the State General Fund (Direct) means of finance for the immediately prior fiscal
29 year; however, the base shall not include any appropriations made pursuant to
30 Subsection D of this Section.

1 (2) If the growth factor provided in Paragraph (1) of this Subsection is
2 negative, the growth limit for the ensuing fiscal year shall be equal to the base, as
3 defined in Paragraph (1) of this Subsection.

4 D. Recurring revenue amounts recognized in the official forecast above the
5 growth limit and below the expenditure limit shall be appropriated only for
6 nonrecurring expenses. For the purposes of this Subsection, the term "nonrecurring
7 expense" means an expense that is not of a continuing or recurring character and that
8 in the normal course of administration is not expected to be necessary in
9 approximately the same amounts each year.

10 (E) The limit calculated pursuant to the provisions of this Subparagraph shall
11 not apply to the appropriation of the following state funds:

12 (1) Any funds originating from the federal government.

13 (2) Any funds being transferred among state agencies, colleges, universities,
14 boards, or commissions.

15 (3) Any funds originating from self-generated collections by a state agency,
16 college, university, board or commission.

17 (4) Any funds originating from a statutorily or constitutionally dedicated
18 fund.

19 (5) Any funds from the Budget Stabilization Fund incorporated into the
20 official forecast for the current fiscal year.

21 (6) Any funds appropriated as a result of a means of financing substitution
22 resulting in an increase in the State General Fund (Direct) means of finance to
23 compensate for a decrease in federal funding, funds transferred from another state
24 entity, self-generated collections, or statutorily or constitutionally dedicated funds.

25 (7) Any funds appropriated or allocated that are excluded from the analysis
26 of appropriation totals in relation to the expenditure limit.

27 §34. Executive budget

28 * * *

29 C. The executive budget recommendations for appropriations shall not
30 exceed the expenditure limit for the ensuing fiscal year. Additionally, executive

1 budget recommendations for appropriation of recurring revenue shall not exceed the
2 government growth limit for the ensuing fiscal year.

3 * * *

4 §38. Additional proposals

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6 B. Any proposal by the governor to exceed the expenditure ~~limit~~ limit, the
7 government growth limit, or both shall be itemized by program and shall constitute
8 a submission by the governor separate and apart from the executive budget.

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10 §54. Limitations on appropriations

11 * * *

12 C. Appropriations ~~by the legislature~~ from the state general fund and
13 dedicated funds for any fiscal year shall not exceed the expenditure limit and shall
14 be in conformity with the requirements of R.S. 39:33.3.

15 * * *

16 Section 2. This Act shall take effect and become operative if and when the proposed
17 amendment of Article VII of the Constitution of Louisiana contained in the Act which
18 originated as House Bill No. 7 of this 2024 Third Extraordinary Session of the Legislature
19 is adopted at a statewide election and becomes effective.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____