

Regular Session, 2011

SENATE BILL NO. 147

BY SENATOR CHAISSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING. Constitutional amendment to provide relative to deposits into the Budget Stabilization Fund. (2/3-CA13s1(A))

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A JOINT RESOLUTION

Proposing to add Article VII, Section 10.3(C)(5) of the Constitution of Louisiana, relative to the Budget Stabilization Fund; to provide for deposits into the Budget Stabilization Fund in certain circumstances; and to specify an election for submission of the proposition to electors and provide a ballot proposition.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state, for their approval or rejection in the manner provided by law, a proposal to add Article VII, Section 10.3(C)(5) of the Constitution of Louisiana, to read as follows:

ARTICLE VII

§10.3. Budget Stabilization Fund

Section 10.3.

* * *

(C) The money in the fund shall not be available for appropriation or use except under the following conditions:

* * *

(5)(a) If the balance in the fund is at its maximum and money in the

1 **fund is made available for appropriation or use as provided in this Paragraph,**
 2 **beginning in fiscal year 2011, no deposit to the fund as provided in**
 3 **Subsubparagraph (A)(2)(a) of this Section shall be made in the fiscal year for**
 4 **which money in the fund is appropriated or for which money in the fund is**
 5 **incorporated into the official forecast nor for the ensuing fiscal year.**

6 **(b) Except as provided in Subsubparagraph (C)(5)(a) of this Paragraph,**
 7 **in the fiscal year for which money in the fund is appropriated or incorporated**
 8 **into the official forecast or for the ensuing fiscal year, deposits to the fund shall**
 9 **be made as provided in Paragraph (A) of this Section.**

10 Section 2. Be it further resolved that this proposed amendment shall be submitted
 11 to the electors of the state of Louisiana at the statewide election to be held on October 22,
 12 2011.

13 Section 3. Be it further resolved that on the official ballot to be used at said election
 14 there shall be printed a proposition, upon which the electors of the state shall be permitted
 15 to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
 16 read as follows:

17 To provide that in a year when the balance in the Budget Stabilization Fund
 18 is at its maximum and monies are withdrawn from the Budget Stabilization
 19 Fund, beginning in fiscal year 2011, no deposit of mineral revenues shall be
 20 made to the Budget Stabilization Fund in the same or ensuing fiscal year in
 21 which monies in the fund are appropriated or incorporated into the official
 22 forecast.

23 (Adds Article VII, Section 10.3(C)(5))

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Martha S. Hess.

DIGEST

Present constitution establishes the Budget Stabilization Fund in the constitution and
 provides the following revenues are to be deposited into the fund:

- (1) Monies available for appropriation in excess of the expenditure limit.
- (2) All mineral revenues received by the state in each fiscal year in excess of the base,

which, by legislative act, was increased to \$850 million.

- (3) 25% of any monies recognized by the Revenue Estimating Conference as nonrecurring.
- (4) Any other monies appropriated to the fund by the legislature including the balance of any monies declared to be nonrecurring.

Proposed constitutional amendment retains present constitution.

Present constitution permits up to 1/3 of the Budget Stabilization Fund, subject to 2/3 approval of each house of the legislature, to be incorporated in the next fiscal year's official forecast if revenue estimates for the next fiscal year are less than the official forecast for the current fiscal year. Present constitution further permits up to 1/3 of the Budget Stabilization Fund, subject to 2/3 approval of each house of the legislature, to be appropriated for the current fiscal year budget if a deficit for the current fiscal year is projected due to a decrease in the official forecast.

Proposed constitutional amendment retains present constitution.

Proposed constitutional amendment provides that if the balance in the fund is at its maximum and money in the fund is made available for appropriation or use as provided in present constitution, beginning in fiscal year 2011, no deposit to the fund of mineral revenues shall be made in the fiscal year for which money in the fund is appropriated or for which money in the fund is incorporated into the official forecast nor for the ensuing fiscal year. Proposed constitutional amendment further provides that all other deposits, except mineral revenues, shall continue to be made to the fund in the fiscal year for which money in the fund is appropriated or incorporated into the official forecast or for the ensuing fiscal year.

Specifies submission of the amendment to the voters at the statewide election to be held on October 22, 2011.

(Adds Const. Art. VII, Sec. 10.3(C)(5))