SLS 11RS-449 ORIGINAL

Regular Session, 2011

SENATE BILL NO. 148

BY SENATOR CLAITOR

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

LEGISLATIVE SESSIONS. Provides for biennial legislative sessions. (2/3-CA13s1(A))

### A JOINT RESOLUTION

Proposing to amend Article III, Sections 2(A)(1), 16(A) and (E), Article IV, Sections 5(G)(2) and 9, Article VII, Sections 10(B) and (C)(1), 10.1(C)(1), 10.4(A), 10.5(C), 10.8(A)(2), (3), and (4), (C)(1) and (3)(b), 10.10(D)(1), 11(A) and (C), and (27)(B), Article VIII, Section 13(B), Article X, Section 13(A), Article XII, Section 6(A)(1), and Article XIV, Section 10 and to repeal Article III, Section 2(A)(3) and (4) of the Constitution of Louisiana, relative to legislative sessions; to provide that the legislature shall meet biennially in regular session in even-numbered years; to remove certain references to annual regular sessions and to regular sessions in other years; to provide relative to biennial budgeting; 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

10(B) and (C)(1), 10.1(C)(1), 10.4(A), 10.5(C), 10.8(A)(2), (3), and (4), (C)(1) and (3)(b), 10.10(D)(1), 11(A) and (C), and (27)(B), Article VIII, Section 13(B), Article X, Section

their approval or rejection in the manner provided by law, a proposal to amend Article III,

Sections 2(A)(1), 16(A) and (E), Article IV, Sections 5(G)(2) and 9, Article VII, Sections

13(A), Article XII, Section 6(A)(1), and Article XIV, Section 10 and to repeal Article III,
 Section 2(A)(3) and (4) of the Constitution of Louisiana, to read as follows:
 ARTICLE III. LEGISLATIVE BRANCH
 §2. Sessions

Section 2. (A) Annual Biennial Session. (1) The legislature shall meet annually biennially in regular session for a limited number of legislative days in the state capital in even-numbered years for not more than one hundred legislative day is a calendar day on which either house is in session. No such session shall continue beyond the one hundred twenty-fifth calendar day after convening. The legislature shall convene at noon on the last Monday in January. No new matter intended to have the effect of law shall be introduced or received by either house after six o'clock in the evening of the twenty-third calendar day. No matter intended to have the effect of law, except a measure proposing a suspension of law, shall be considered on third reading and final passage in either house after six o'clock in the evening of the fifty-seventh legislative day or the eighty-second calendar day, whichever occurs first, except by a favorable record vote of two-thirds of the elected members of each house.

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# 20 §16. Appropriations

Section 16.(A) Specific Appropriation for One Year Appropriations. Except as otherwise provided by this constitution, no money shall be withdrawn from the state treasury except through specific appropriation, for an appropriations period not to exceed two years; however, such appropriations shall be allocated for each fiscal year. and no appropriation shall be made under the heading of contingencies or for longer than one year.

\* \* \*

(E) Extraordinary Session. Except for expenses of the legislature, a bill appropriating money in an extraordinary session convened after final adjournment

1	of the regular session in the last third year of the term of office of a governor shall
2	require the favorable vote of three-fourths of the elected members of each house.
3	* * *
4	ARTICLE IV. EXECUTIVE BRANCH
5	* * *
6	§5. Governor; Powers and Duties
7	Section 5. * * *
8	(G) Item Veto. * * *
9	(2) The governor shall veto line items or use means provided in the bill so
10	that total appropriations for the any year shall not exceed anticipated revenues for
11	that year.
12	* * *
13	§9. Treasurer; Powers and Duties
14	Section 9. There shall be a Department of the Treasury. The treasurer shall
15	head the department and shall be responsible for the custody, investment, and
16	disbursement of the public funds of the state, except as otherwise provided by this
17	constitution. He shall report annually to the governor and to the legislature at least
18	one month before each regular session at such time as shall be provided by law on
19	the financial condition of the state, and shall have other powers and perform other
20	duties authorized by this constitution or provided by law.
21	* * *
22	ARTICLE VII. REVENUE AND FINANCE
23	* * *
24	§10. Expenditure of State Funds
25	Section 10. * * *
26	(B) Official Forecast. The conference shall prepare and publish initial and
27	revised estimates of money to be received by the state general fund and dedicated
28	funds for the current and next two fiscal years which that are available for
29	appropriation. In each estimate, the conference shall designate the money in the

estimate which is recurring and which is nonrecurring. All conference decisions to adopt these estimates shall be by unanimous vote of its members. Changes to the unanimous vote requirement shall be made by law enacted by a favorable vote of two-thirds of the elected members of each house. The most recently adopted estimate of money available for appropriation shall be the official forecast.

(C) Expenditure Limit. (1) The legislature shall provide for the determination of an expenditure limit for each fiscal year to be established during the first quarter of the calendar year for the next **two** fiscal **year years**. However, the expenditure limit for the 1991-1992 Fiscal Year shall be the actual appropriations from the state general fund and dedicated funds for that year except funds allocated by Article VII, Section 4, Paragraphs (D) and (E). For subsequent fiscal years, the limit shall not exceed the expenditure limit for the current fiscal year plus an amount equal to that limit times a positive growth factor. The growth factor is the average annual percentage rate of change of personal income for Louisiana as defined and reported by the United States Department of Commerce for the three calendar years prior to the fiscal year for which the limit is calculated.

\* \* \*

§10.1. Quality Trust Fund; Education

Section 10.1. \* \* \*

(C) Reports; Allocation. (1) The State Board of Elementary and Secondary Education and the Board of Regents shall annually submit to the legislature and the governor not less than sixty days prior to the beginning of each regular session of the legislature a proposed program and budget for the expenditure of the monies in the Support Fund for each of the next two fiscal years. Proposals for such expenditures shall be designed to improve the quality of education and shall specifically designate those monies to be used for administrative costs, as defined and authorized by law.

\* \* \*

§10.4. Higher Education Louisiana Partnership Fund; Program

Section 10.4.(A) Higher Education Louisiana Partnership Fund. (1) There is hereby established a special fund in the state treasury to be known as the Higher Education Louisiana Partnership Fund, hereinafter referred to as the "fund", consisting of monies appropriated annually by the legislature, grants, gifts, and donations received by the state for the purposes of this Section, and other revenues as may be provided by law; provided that no such monies shall come from the allocations provided in Article VII, Section 4, Paragraphs (D) and (E) of this constitution.

\* \* \* \*

§10.5. Mineral Revenue Audit and Settlement Fund

Section 10.5. \* \* \*

(C) After making the allocations provided for in Paragraph (A), the treasurer shall credit thirty-five million dollars to the Coastal Protection and Restoration Fund, and thereafter any monies credited to the fund in any fiscal year may be annually appropriated by the legislature only for the purposes of retirement in advance of maturity through redemption, purchase, or repayment of debt of the state, pursuant to a plan proposed by the State Bond Commission to maximize the savings to the state; for payments against the unfunded accrued liability of the public retirement systems which are in addition to any payments required for the annual amortization of the unfunded accrued liability of the public retirement systems, required by Article X, Section 29 of this constitution; however, any such payment to the public retirement systems shall not be used, directly or indirectly, to fund cost-of-living increases for such systems; and for deposit in the Coastal Protection and Restoration Fund.

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§10.8. Millennium Trust

Section 10.8. Millennium Trust.

29 (A) Creation. \* \* \*

(2) The Health Excellence Fund shall be established as a special fund within the Millennium Trust. The treasurer shall credit to the Health Excellence Fund one-third of the Settlement Agreement proceeds deposited each year into the Millennium Trust, and one-third of all investment earnings on the investment of the Millennium Trust. The treasurer shall report annually at the time and in the form fixed by law to the legislature as to the amount of Millennium Trust investment earnings credited to the Health Excellence Fund.

- (3) The Education Excellence Fund shall be established as a special fund within the Millennium Trust. The treasurer shall credit to the Education Excellence Fund one-third of the Settlement Agreement proceeds deposited each year into the Millennium Trust, and one-third of all investment earnings on the investment of the Millennium Trust. The treasurer shall report annually at the time and in the form fixed by law to the legislature and the state superintendent of education as to the amount of Millennium Trust investment earnings credited to the Education Excellence Fund.
- (4) The TOPS Fund shall be established as a special fund within the Millennium Trust. The treasurer shall deposit in and credit to the TOPS Fund one-third of the Settlement Agreement proceeds deposited into the Millennium Trust, and one-third of all investment earnings on the investment of the Millennium Trust. The treasurer shall report annually at the time and in the form fixed by law to the legislature as to the amount of Millennium Trust investment earnings credited to the TOPS Fund.

\* \* \*

(C) Appropriations. (1) Appropriations from the Health Excellence Fund, Education Excellence Fund, and TOPS Fund shall be limited to an annual amount not to exceed the estimated aggregate annual earnings from interest, dividends, and realized capital gains on investment of the trust as recognized by the Revenue Estimating Conference. Amounts determined to be available for appropriation shall be those aggregate investment earnings which are in excess of an inflation factor as

1	determined by the Revenue Estimating Conference. The amount of realized capital
2	gains on investment which may be included in the aggregate earnings available for
3	appropriation in any year shall not exceed the aggregate of earnings from interest and
4	dividends for that year.
5	* * *
6	(3) Appropriations from the Education Excellence Fund shall be limited as
7	follows:
8	* * *
9	(b) Appropriations shall be made each year to the Louisiana School for the
10	Deaf, the Louisiana School for the Visually Impaired, the Louisiana Special
11	Education Center in Alexandria, the Louisiana School for Math, Science and the
12	Arts, the New Orleans Center for Creative Arts and the Louis Armstrong High
13	School for the Arts, after such schools are operational, to provide for a payment to
14	each school of seventy-five thousand dollars plus an allocation for each pupil equal
15	to the average statewide per pupil amount provided each city, parish, and local
16	school system pursuant to Subsubparagraphs (d) and (e) of this Subparagraph.
17	* * *
18	§10.10. Millennium Leverage Fund
19	Section 10.10. * * *
20	D. Appropriations. (1) The legislature may annually appropriate the bond
21	proceeds credited to the Leverage Fund and all earnings, income, and realized capital
22	gains on investment of monies in the Leverage Fund as recognized as available for
23	appropriation in the official forecast of the Revenue Estimating Conference. The
24	Revenue Estimating Conference shall include in its forecast of monies available for
25	appropriation only that amount of earnings, income, and realized capital gains which
26	are in excess of inflation as determined by the conference.
27	* * *
28	§11. Budgets

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Section 11.(A) Budget Estimate. The governor shall submit to the legislature,

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at the time and in the form fixed by law, a budget estimate for the next <u>two</u> fiscal <u>year years</u> setting forth all proposed state expenditures. This budget shall include a recommendation for appropriations <u>for each fiscal year</u> from the state general fund and from dedicated funds, except funds allocated by Article VII, Section 4, Paragraphs (D) and (E), which shall not exceed the official forecast of the Revenue Estimating Conference and the expenditure limit for the fiscal year. The recommendation shall also comply with the provisions of Article VII, Section 10(D). This budget shall include a recommendation for funding of state salary supplements for full-time law enforcement and fire protection officers of the state, as provided in Article VII, Section 10(D)(3) of this constitution.

\* \* \*

(C) Capital Budget. The governor shall submit to the legislature, at each regular session the time and in the form fixed by law, a proposed five-year capital outlay program and request implementation of the first year two years of the program. Prior to inclusion in the comprehensive capital budget which the legislature adopts, each capital improvement project shall be evaluated through a feasibility study, as defined by the legislature, which shall include an analysis of need and estimates of construction and operating costs. The legislature shall provide by law for procedures, standards, and criteria for the evaluation of such feasibility studies and shall set the schedule of submission of such feasibility studies which shall take effect not later than December thirty-first following the first regular session convening after this Paragraph takes effect. These procedures, standards, and criteria for evaluation of such feasibility studies cannot be changed or altered except by a separate legislative instrument approved by a favorable vote of two-thirds of the elected members of each house of the legislature. For those projects not eligible for funding under the provisions of Article VII, Section 27 of this constitution, the request for implementation of the first year of the program shall include a list of the proposed projects in priority order based on the evaluation of the feasibility studies submitted. Capital outlay projects approved by the legislature shall be made a part

of the comprehensive state capital budget, which shall be adopted by the legislature.

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§27. Transportation Trust Fund

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Section 27. (A) \* \* \*

(B) The monies in the trust fund shall be appropriated or dedicated solely and exclusively for the costs for and associated with construction and maintenance of the roads and bridges of the state and federal highway systems, the Statewide Flood-Control Program or its successor, ports, airports, transit, state police for traffic control purposes, and the Parish Transportation Fund or its successor and for the payment of all principal, interest, premium, if any, and other obligations incident to the issuance, security, and payment in respect of bonds or other obligations payable from the trust fund as authorized in Paragraph (D) hereof. Unless pledged to the repayment of bonds authorized in Paragraphs (C) or (D) of this Section, the monies in the trust fund allocated to ports, airports, flood control, parish transportation, and state highway construction shall be appropriated annually for each fiscal year by the legislature only pursuant to programs established by law which establish a system of priorities for the expenditure of such monies, except that the Transportation Infrastructure Model for Economic Development, which shall include only those projects enumerated in House Bill 17 of the 1989 First Extraordinary Session of the Legislature and US Highway 61 from Thompson Creek to the Mississippi Line, in lieu of "US 61-Bains to Mississippi Line", and US Highway 165 from I-10 to Alexandria to Monroe to Bastrop and thence on US Highway 425 from Bastrop to the Arkansas Line, in lieu of "US 165-I-10 Alexandria-Monroe-Bastrop-Arkansas Line" and LA 15-Natchez, Mississippi to Chase in lieu of "LA 15-Natchez, Mississippi to Monroe", shall be funded as provided by law. The state generated tax monies appropriated for ports, Parish Transportation Fund, or its successor, and the Statewide Flood-Control Program, or its successor, and state police for traffic control purposes shall not exceed twenty percent annually of the state generated tax revenues in the trust fund; <del>provided,</del> however, <del>that</del> no less than the avails of one cent of the tax

on gasoline and special fuels shall be appropriated <u>for</u> each year to the Parish Transportation Fund, or its successor. The <u>annual</u> appropriation <u>for each fiscal year</u> for airports shall be a sum equal to, but not greater than, the annual estimated revenue to be derived from the state taxes to be collected and received on aviation fuel <u>for that fiscal year</u>. Unencumbered and unexpended balances at the end of each fiscal year shall remain in the trust fund. The earnings realized in each fiscal year on the investment of monies in the trust fund shall be deposited in and credited to the trust fund.

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## ARTICLE VIII. EDUCATION

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§13. Funding; Apportionment

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Section 13. (A) \* \* \*

(B) Minimum Foundation Program. The State Board of Elementary and Secondary Education, or its successor, shall annually every two years develop and adopt a formula which that shall be used to determine the cost of a minimum foundation program of education in all public elementary and secondary schools as well as to equitably allocate the funds to parish and city school systems. Such formula shall provide for a contribution by every city and parish school system. Prior to approval of the formula by the legislature, the legislature may return the formula adopted by the board to the board and may recommend to the board an amended formula for consideration by the board and submission to the legislature for approval. The legislature shall annually appropriate funds for each fiscal year sufficient to fully fund the current cost to the state of such a program as determined by applying the approved formula in order to insure a minimum foundation of education in all public elementary and secondary schools. Neither the governor nor the legislature may reduce such appropriation, except that the governor may reduce such appropriation using means provided in the act containing the appropriation provided that any such reduction is consented to in writing by two-thirds of the

elected members of each house of the legislature. The funds appropriated shall be equitably allocated to parish and city school systems according to the formula as adopted by the State Board of Elementary and Secondary Education, or its successor, and approved by the legislature prior to making the appropriation. Whenever the legislature fails to approve the formula most recently adopted by the board, or its successor, the last formula adopted by the board, or its successor, and approved by the legislature shall be used for the determination of the cost of the minimum foundation program and for the allocation of funds appropriated.

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## ARTICLE X. PUBLIC OFFICIALS AND EMPLOYEES

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# §13. Appropriations

Section 13.(A) State. The legislature shall make adequate annual appropriations to the State Civil Service Commission and to the Department of State Civil Service to enable them to implement this Part efficiently and effectively. The amount so appropriated shall not be subject to veto by the governor.

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### ARTICLE XII. GENERAL PROVISIONS

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# §6. Lotteries; Gaming, Gambling, or Wagering

Section 6.(A) Lotteries. (1) The legislature may provide for the creation and operation of a state lottery and may create a special corporation for that purpose whose employees shall not be subject to state civil service. The net proceeds from the operation of the lottery shall be deposited in a special fund created in the state treasury entitled the Lottery Proceeds Fund. Amounts deposited in the fund shall not be appropriated for expenditure in the same calendar year in which they are received. The legislature shall annually appropriate from the fund only for the purposes of the minimum foundation program and no more than five hundred thousand dollars for services related to compulsive and problem gaming as may be provided by law.

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### ARTICLE XIV. TRANSITIONAL PROVISIONS

§10. Offshore Mineral Revenues: Use of Funds

Section 10. Funds derived from offshore mineral leases and held in escrow under agreement between the state and the United States pending settlement of the dispute between the parties shall be deposited in the state treasury when received. Upon such settlement, these funds and the interest from their investment, except the portion otherwise allocated or dedicated by this constitution, shall be used by the state treasurer to purchase, retire, or pay in advance of maturity the existing bonded indebtedness of the state or shall be invested for that purpose. If any of these funds cannot be so expended within one year, the legislature may appropriate annually, for capital improvements or for the purchase of land, ten percent of the remaining funds, not to exceed ten million dollars in one year.

Section 2. Be it further resolved that this amendment, after its approval, shall become effective January 1, 2014.

Section 3. Be it further resolved that this proposed amendment shall be submitted to the electors of the state of Louisiana at the statewide election to be held on October 22, 2011.

Section 4. Be it further resolved that on the official ballot to be used at said election there shall be printed a proposition, upon which the electors of the state shall be permitted to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall read as follows:

To provide that the legislature shall meet in regular session biennially in even-numbered years only, to remove certain references to annual regular sessions and to regular sessions in odd-numbered years, and to provide that the state shall operate on a biennial budget cycle. (Amends Constitution Article III, Sections 2(A)(1), 16(A) and (E), Article IV, Sections 5(G)(2) and 9, Article VII, Sections 10(B) and (C)(1), 10.1(C)(1), 10.4(A), 10.5(C), 10.8(A)(2), (3), and (4), (C)(1) and (3)(b), 10.10(D)(1), 11(A) and (C), and

1 (27)(B), Article VIII, Section 13(B), Article X, Section 13(A), Article XII, 2 Section 6(A)(1), and Article XIV, Section 10; repeals Article III, Section 3 2(A)(3) and (4))

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alden A. Clement, Jr.

#### **DIGEST**

<u>Present constitutions</u> provides that the legislature is to meet annually in regular session for a limited number of legislative days in the state capital, a legislative day being a calendar day on which either house is in session.

<u>Present constitution</u> provides that all regular sessions convening in even-numbered years are to be general in nature and convene at noon on the last Monday in March, with such session lasting for not more than 60 legislative days during a period of 85 calendar days.

<u>Present constitution</u> provides that all regular sessions convening in odd-numbered years are to convene at noon on the last Monday in April, with such session lasting for not more than 45 legislative days in a period of 60 calendar days.

<u>Present constitution</u> further provides that during any session convening in an odd-numbered year, no matter intended to have the effect of law, including any suspension of law, can be introduced or considered unless its object is to enact the General Appropriation Bill, enact the comprehensive capital budget, make an appropriation, levy or authorize a new tax, increase an existing tax, levy, authorize, increase, decrease, or repeal a fee, dedicate revenue, legislate with regard to tax exemptions, exclusions, deductions, reductions, repeals, or credits, or legislate with regard to the issuance of bonds.

<u>Proposed constitutional amendment</u> repeals these provisions of <u>present constitution</u>, and further provides that the legislature is to meet biennially in regular session in even-numbered years for not more than 100 legislative days during a period of not more than 125 calendar days.

<u>Proposed constitutional amendment</u> further provides that the legislature is to convene at noon on the last Monday in March, and no new matter intended to have the effect of law can be introduced or received by either house after 6:00 p.m. of the 23<sup>rd</sup> calendar day, and no matter intended to have the effect of law, except a measure proposing a suspension of law, can be considered on 3<sup>rd</sup> reading and final passage in either house after 6:00 p.m. on the 57<sup>th</sup> legislative day or the 82<sup>nd</sup> calendar day, whichever occurs first, except by a favorable record vote of two-thirds of the elected members of each house.

<u>Present constitution</u> provides relative to the state operating on an annual budget cycle.

<u>Proposed constitutional amendment</u> provides for the state to adopt a biennial budget cycle in conjunction with the biennial sessions provided for by <u>proposed constitutional amendment</u>.

Effective January 1, 2014, if approved by voters.

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

(Amends Const. Art. III, Sec. 2(A)(1), 16(A) and (E), Art. IV, Sec. 5(G)(2) and 9, Art. VII, Sec. 10(B) and (C)(1), 10.1(C)(1), 10.4(A), 10.5(C), 10.8(A)(2), (3), and (4), (C)(1) and (3)(b), 10.10(D)(1), 11(A) and (C), and (27)(B), Art. VIII, Sec. 13(B), Art. X, Sec. 13(A), Art. XII, Sec. 6(A)(1), and Art. XIV, Sec. 10; repeals Art. III, Sec. 2(A)(3) and (4))