
The original instrument was prepared by Jay Lueckel. The following digest, which does not constitute a part of the legislative instrument, was prepared by Ann S. Brown.

DIGEST

Long (SB 131)

Present law provides, relative to the notification that a budget deficit exists in the current fiscal year, that the governor shall have interim budget balancing powers to eliminate the deficit, among others:

1. Reduce executive branch budget unit appropriations by three percent of the total appropriation for the fiscal year.
2. In the event the governor has reduced budgets by seven-tenths of one percent of the total appropriation and the deficit still exists, the governor may make further budget adjustments. The governor may direct reductions of any appropriation or allocation from the state general fund or dedicated funds, including those constitutionally protected or mandated, by an amount not to exceed five percent of the total amount appropriated or allocated for that fiscal year.

Proposed law retains present law but authorizes additional authority for the governor to reduce certain non-constitutionally protected appropriations or allocations from the state general fund or dedicated by another five percent.

Proposed law requires legislative approval by a majority of the elected members of each house prior to any additional reductions authorized by proposed law. Such approval shall be granted by resolution or Act (if legislature is in session) or by mail ballot (if legislature is not in session).

Effective July 1, 2011.

(Amends R.S. 39:75(C)(2)(b))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill.

1. Adds language excluding special funds not required to be deposited in the treasury pursuant to Art. VII, Section 9(A) of the constitution and certain other special funds, including court or regulatory agency judgments; contracts related to the issuance of bonds, notes, or other indebtedness; and special retirement funds; among others.

Senate Floor Amendments to engrossed bill.

1. Provides that the authorized budget adjustments must be approved by a majority of each house of the legislature and specifies procedures for such approval.