

Regular Session, 2013

HOUSE BILL NO. 435

BY REPRESENTATIVES SEABAUGH, ARNOLD, BARRAS, BERTHELOT, STUART BISHOP, BROWN, BURFORD, CARMODY, CHAMPAGNE, CONNICK, DANAHAY, GAROFALO, GEYMANN, GREENE, HARRIS, HARRISON, HAVARD, HENRY, HODGES, HOLLIS, HOWARD, LAMBERT, NANCY LANDRY, LEOPOLD, MILLER, JAY MORRIS, JIM MORRIS, POPE, PUGH, PYLANT, REYNOLDS, RICHARD, ROBIDEAUX, SCHEXNAYDER, SCHRODER, TALBOT, AND THOMPSON

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

BUDGETARY CONTROLS: (Constitutional Amendment) Provides relative to the budget process

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A JOINT RESOLUTION

Proposing to amend Article III, Section 16(A) and Article VII, Sections 10(B), (D)(1), and (E) and 11(A) and to add Article VII, Section 10(D)(4) of the Constitution of Louisiana, to provide relative to the budget process; to provide for appropriations; to provide for the powers, duties, and functions of the Revenue Estimating Conference; to require certain contents in the budget estimate; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

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 of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article III, Section 16(A) of the Constitution of Louisiana, to read as follows:

§16. Appropriations

Section 16.(A) Specific Appropriation for One Year. Except as otherwise provided by this constitution, no money shall be withdrawn from the state treasury except through specific appropriation, ~~and~~ no appropriation shall be made ~~under the~~

1 ~~heading of contingencies~~ or for longer than one year, and no contingent  
2 appropriation shall be made.

3 \* \* \*

4 Section 2. Be it resolved by the Legislature of Louisiana, two-thirds of the members  
5 elected to each house concurring, that there shall be submitted to the electors of the state of  
6 Louisiana, for their approval or rejection in the manner provided by law, a proposal to  
7 amend Article VII, Sections 10(B), (D)(1), and (E) and 11(A) and to add Article VII, Section  
8 10(D)(4) of the Constitution of Louisiana, to read as follows:

9 §10. Expenditure of State Funds

10 Section 10.

11 \* \* \*

12 (B) Official Forecast. The conference shall prepare and publish initial and  
13 revised estimates of money to be received by the state general fund and each  
14 dedicated funds fund for the current and next fiscal years which are available for  
15 appropriation. In each estimate, the conference shall designate as either recurring  
16 or nonrecurring all of the money in the estimate, including money to be received by  
17 each fund. which is recurring and which is nonrecurring. All conference decisions  
18 to adopt these estimates shall be by unanimous vote of its members. Changes to the  
19 unanimous vote requirement shall be made by law enacted by a favorable vote of at  
20 least two-thirds of the elected members of each house. The most recently adopted  
21 estimate of money available for appropriation shall be the official forecast. The  
22 Revenue Estimating Conference may designate other money as nonrecurring, but  
23 shall designate as nonrecurring, money available for appropriation from any source  
24 that has not been available for the preceding two fiscal years or which will not be  
25 available for the succeeding two fiscal years.

26 \* \* \*

27 (D) Appropriations. (1) Except as otherwise provided by this constitution,  
28 money shall be drawn from the state treasury only pursuant to an appropriation made  
29 in accordance with law. Appropriations from the state general fund and dedicated

1 funds except funds allocated by Article VII, Section 4, Paragraphs (D) and (E) shall  
2 not exceed the expenditure limit for the fiscal year. Monies from state general fund  
3 and dedicated funds, as defined in Paragraph (J) of this Section, shall not be available  
4 for appropriation unless included in the official forecast.

5 \* \* \*

6 (4) Except as otherwise provided in this constitution, including Paragraph  
7 (F) of this Section, the amount appropriated out of any fund shall not exceed the  
8 official forecast by the Revenue Estimating Conference of money available for  
9 appropriation from that fund for that fiscal year.

10 (E) Balanced Budget. Appropriations by the legislature from the state  
11 general fund and dedicated funds for any fiscal year except funds allocated by  
12 Article VII, Section 4, Paragraphs (D) and (E) shall not exceed the official forecast  
13 in effect for each fund at the time the appropriations are made.

14 \* \* \*

15 §11. Budgets

16 Section 11.(A) Budget Estimate. The governor shall submit to the  
17 legislature, at the time and in the form fixed by law, a budget estimate for the next  
18 fiscal year setting forth all proposed state expenditures. This budget shall include  
19 a recommendation for appropriations from the state general fund and from dedicated  
20 funds, except funds allocated by Article VII, Section 4, Paragraphs (D) and (E),  
21 which shall not exceed the official forecast of the Revenue Estimating Conference  
22 and the expenditure limit for the fiscal year. The recommendation shall not contain  
23 any recommendation for a contingent appropriation or any recommendation for  
24 appropriations of money designated as nonrecurring for purposes other than those  
25 specifically authorized by Article VII, Section 10(D)(2). The recommendation shall  
26 also comply with the provisions of Article VII, Section 10(D). This budget shall  
27 include a recommendation for funding of state salary supplements for full-time law

1 enforcement and fire protection officers of the state, as provided in Article VII,  
2 Section 10(D)(3) of this constitution.

3 \* \* \*

4 Section 3. Be it further resolved that this proposed amendment shall be submitted  
5 to the electors of the state of Louisiana at the statewide election to be held on November 4,  
6 2014.

7 Section 4. Be it further resolved that on the official ballot to be used at the election,  
8 there shall be printed a proposition, upon which the electors of the state shall be permitted  
9 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as  
10 follows:

11 Do you support an amendment which provides that: (1) funds shall not be  
12 available for appropriation unless the funds are included in the official  
13 forecast of the Revenue Estimating Conference; (2) appropriations shall not  
14 exceed the state's official forecast of revenues; (3) appropriations shall not  
15 be contingent or use nonrecurring monies for recurring expenditures; (4) the  
16 Revenue Estimating Conference shall designate revenues as recurring or  
17 nonrecurring; and (5) nonrecurring funds shall be used only for those  
18 expenditures authorized by the constitution? (Amends Article III, Section  
19 16(A) and Article VII, Sections 10(B), (D)(1), and (E) and 11(A); Adds  
20 Article VII, Section 10(D)(4))

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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)]

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Seabaugh

HB No. 435

**Abstract:** Provides for the role of the Revenue Estimating Conference in the expenditure of state funds, including determining what money is defined as nonrecurring. Provides that funds shall not be available for appropriation unless included in the official forecast. Provides that appropriations shall not exceed the official forecast. Provides that the governor's budget recommendation shall not contain contingent appropriations or use nonrecurring revenues for purposes other than those specifically authorized by the constitution.

## APPROPRIATIONS

Present constitution provides that no money shall be withdrawn from the state treasury except through specific appropriation and no appropriation shall be made under the heading of contingencies for longer than one year. Proposed constitutional amendment clarifies that no contingent appropriation shall be made.

## EXPENDITURE OF STATE FUNDS

Present constitution sets forth requirements relative to the expenditure of state funds and establishes the Revenue Estimating Conference (REC) to prepare and publish initial and revised estimates of money to be received by the state general fund and dedicated funds for the current and next fiscal years which are available for appropriation, the most recent of which is called the official forecast. In each estimate, the REC must also designate money as either recurring or nonrecurring. Proposed constitutional amendment retains present constitution and specifies that the REC must designate as recurring or nonrecurring money to be received by each fund and provides that the REC must designate as nonrecurring money from any source that has not been available for the preceding two fiscal years or which will not be available for the succeeding two fiscal years.

Present constitution provides that money shall be drawn from the state treasury only pursuant to an appropriation made in accordance with law and that appropriations from state general fund and dedicated funds shall not exceed the expenditure limit. Proposed constitutional amendment provides that funds (other than federal, self-generated by higher education institutions, and interagency transfers) shall not be available for appropriation unless included in the REC's official forecast. Proposed constitutional amendment further specifies that unless otherwise provided in the constitution, the amount appropriated out of any fund shall not exceed the official forecast of money available for appropriation from that fund.

## BUDGETS

Present constitution requires the governor to submit to the legislature a budget estimate for the next fiscal year setting forth all proposed state expenditures. This budget shall include a recommendation for appropriations from the state general fund and from dedicated funds which shall not exceed the REC's official forecast or the expenditure limit for that year. Proposed constitutional amendment retains the present constitution and prohibits including in the budget estimate any recommendation for a contingent appropriation or an appropriation from nonrecurring money, except as authorized by present constitution.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 4, 2014.

(Amends Art. III, § 16(A) and Art. VII, §10(B), (D)(1), and (E) and 11(A); Adds Art. VII, §10(D)(4))