

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

BUDGETARY CONTROLS: Requires, under certain circumstances, for the General Appropriations Bill to be introduced with separate recommendations for discretionary and non-discretionary expenditures and means of financing.

DIGEST

Present law provides for the powers and functions of the Legislative Fiscal Office.

Proposed law adds function to include report whether the proposed budget recommendation for appropriations out of the state general fund and dedicated funds for the ensuing fiscal year for health care and for higher education is less than the appropriations enacted for either purpose for the current fiscal year's existing operating budget as of the budget that is submitted to the Joint Legislative Committee on the Budget. Requires such report to be made to the governor and the legislature within seven days of the governor's submission of the executive budget to the Joint Legislative Committee on the Budget.

Present law provides for the contents of the executive budget.

Present law requires that the executive budget shall include reports of all discretionary and nondiscretionary expenditures, or estimates of discretionary or nondiscretionary expenditures, itemized by department and functional area.

Proposed law defines nondiscretionary expenditures as those which must be funded because of constitutional and other mandates, including, but not limited to, the following:

- (1) Expenditures required by the Constitution of Louisiana. (The salaries of statewide elected officials; the cost of elections and ballot printing; Nonpublic school textbooks and the Minimum Foundation Program; parish transportation; Interim Emergency Board; State revenue sharing; Debt service for net state tax-supported debt; severance tax dedications to parishes; Parish royalty fund dedications to parishes; Highway Fund #2 dedications to Mississippi River Bridge Authority and Causeway Commission; state supplemental pay.)
- (2) Expenditures due to a court order. (Representation for mental health patient; medical care for some state prisoners.)
- (3) Expenditures to avoid a court order (Litigation involving community-based waiver options; elderly and disabled adult waiver litigation; instruction for Special School Districts #1 and #2-Juvenile Justice Settlement.)
- (4) Debt service. (The Debt Management Program; debt service of state-owned buildings paid by the Office Facilities Corporation; rent in state-owned buildings-paid by state agencies to the Office Facilities Corporation; corrections debt service-Louisiana Correctional Facilities Corporation; higher education debt service and maintenance.)
- (5) Expenditures due to federal mandates. (Mandatory Medicaid services; Federal Safe Drinking Water Act for inspections.)
- (6) Expenditures for certain statutory obligations. (Salaries of district attorneys and assistant district attorneys; local housing of state adult offenders; Peace Officer Standards and Training reimbursement for local law enforcement agencies; parole board; pardon board; medical care for prisoners; salaries and related benefits for the registrars of voters and their employees.)
- (7) Legislative expenses.

- (8) Judicial expenses.
- (9) Expenditures for unavoidable obligations. (Group benefits for retirees; maintenance of state buildings from state agencies to the division of administration; Adult Probation and Parole-Field Services Program; Family preservation and children services provided by the Department of Children and Family Services; Department of Health and Hospitals-Eastern La. Mental Health System-Forensic Facility; corrections services-incarceration of adult inmates; legislative auditor fees.)

Proposed law additionally requires the executive budget contain comparative statements for higher education and for health care by expenditures out of the state general fund and dedicated funds for the current fiscal year and recommended expenditures out of the state general fund and dedicated funds for the ensuing fiscal year.

Present law requires the governor to cause a General Appropriation Bill to be introduced which shall be in conformity with the recommendations contained in the budget estimate. The General Appropriation Bill and the bill appropriating funds for ancillary expenses of state government shall include for each program, department, and budget unit, comparative statements of the number of authorized positions and of the existing operating budget for a date certain to be established by the budget office for the current fiscal year and the appropriations for the ensuing fiscal year.

Proposed law requires that, in the event that the Legislative Fiscal Office reports that the budget estimate recommends appropriations out of the state general fund and dedicated funds for the ensuing fiscal year for health care and higher education in amounts less than either purpose in the current fiscal year's existing operating budget, the governor shall cause a General Appropriation Bill to be introduced which shall provide separate recommendations for discretionary and nondiscretionary expenditures and the means of financing such expenditures.

Present law requires that the General Appropriation Bill and the bill appropriating funds for ancillary expenses of state government shall each be submitted for introduction at the same time as the executive budget.

Proposed law requires that the General Appropriation Bill and the ancillary appropriations bill be submitted for introduction no later than fourteen days after submission of the executive budget to the Joint Legislative Committee on the Budget.

Makes these provisions null, void, and of no effect on June 30, 2015.

Effective and operative only if proposed constitutional amendments which originated as HB Nos. 434, 435 and 436 of the 2013 R.S. are not concurred in by both houses and HB Nos. 1, 437, 456, 474, 571, 653, and 696 of the 2013 R.S. are not enacted into law.

(Amends R.S. 39:36(A)(3)(b) and 51(A); Adds R.S. 24:603(20) and R.S. 39:36(A)(6))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Deleted provisions relative to the powers, duties, and functions of the Revenue Estimating Conference.
2. Deleted provisions prohibiting recommendations for appropriations in excess of the official forecast.
3. Deleted requirement that the House clerk cause an unofficial enrollment and summary of the General Appropriation Bill to be prepared within 24 hours of final passage by the Senate.

4. Deleted effective date.
5. Added requirement that the legislative auditor's determination be submitted within seven days of the submission of the executive budget to the Joint Legislative Committee on the Budget.
6. Defined "nondiscretionary expenditures".
7. Added requirement that the executive budget include comparative statements for health care and higher education.
8. Added requirement for a separate Nondiscretionary Appropriation Bill under certain circumstances.

House Floor Amendments to the reengrossed bill.

1. Deleted provisions requiring separate appropriation bills and instead provided that the General Appropriation Bill include separate recommendations for discretionary and nondiscretionary spending under certain circumstances.
2. Added registrars of voters and their employees to nondiscretionary expenditures.
3. Added requirement that the bill shall take effect and become operative only if certain constitutional amendments are concurred in by both houses and certain bills are enacted into law.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the re-engrossed bill

1. Provides for the Legislative Fiscal Office rather than the Legislative Auditor to report to the Joint Legislative Committee on the Budget relative to budgetary changes affecting health care and higher education between the ensuing fiscal year and the current fiscal year.
2. Provides that if the Legislative Fiscal Office reports that the proposed budget from state general fund and statutory dedications for health care and higher education are less than the current fiscal year existing operating budget, the governor shall cause a General Appropriation Bill to be introduced with separate recommendations for discretionary and non-discretionary expenditures and means of financing.
3. Provides that these provisions shall be null, void, and of no effect on June 30, 2015.