
DIGEST

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HB 573 Original

2016 Regular Session

Bacala

Abstract: Authorizes the governor, with Joint Legislative Committee on the Budget (JLCB) approval, or the legislature to institute a hiring freeze and to reduce all state salaries by up to 1% if a budget deficit is projected.

Present constitution provides for the Revenue Estimating Conference which is responsible for developing the official forecast of state revenue available for appropriation. Requires the legislature to provide by law for procedures to determine if appropriations will exceed forecasted revenues and methods of adjusting appropriations to eliminate the projected deficit.

Proposed constitutional amendment retains present constitution and additionally authorizes, if a budget deficit is projected, the governor subject to JLCB approval if the legislature is not in session or the legislature by law if it is in session to take the following actions:

- (1) Prohibit the filling of any vacant employment position in state government and the creation of new employment positions in the classified or unclassified state service.
- (2) Reduce the salary of all persons holding elective or appointive state positions and all state government employees by up to 1%.

Proposed constitutional amendment provides that such actions remain in effect until the end of the fiscal year or as otherwise provided by the action, whichever is later. Requires that savings realized shall be retained in or transferred to the state general fund and used to reduce or eliminate the deficit; however, authorizes appropriation of revenue saved in excess of the amount needed to eliminate the deficit in the next fiscal year.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2016.

(Adds Const. Art. VII, §10(F)(5))