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(b)(i) Notwithstanding any other provision of this constitution to the contrary, for the purposes of the budget estimate and enactment of the budget for the next fiscal year, when the official forecast of recurring revenues for the next fiscal year is at least one percent less than the official forecast for the current fiscal year, or at any time when the official forecast of recurring revenues for the next fiscal year has been reduced by at least one percent from the most recently adopted estimate for the ensuing fiscal year, the following ~~procedure~~ procedures may be employed to avoid a budget deficit in the next fiscal year:;

(aa) An amount not to exceed five percent of the total appropriations or allocations for the current fiscal year from any fund established by law or this constitution shall be available for expenditure in the next fiscal year for a purpose other than as specifically provided by law or this constitution.

(bb) An amount not to exceed one percent of the balance in the current fiscal year from any fund established by this constitution shall be available in the next fiscal year for a purpose other than as specifically provided by law or this constitution.

(ii) For the purposes of this Subsubparagraph, an amount not to exceed one percent of the current fiscal year appropriation for expenditures required by Article VIII, Section 13(B) of this constitution shall be available for expenditures for other purposes in the next fiscal year. Notwithstanding any other provisions of this constitution to the contrary, monies made available as authorized under this Subsubparagraph may be transferred to a fund for which revenues have been forecast to be less than the revenues in the current fiscal year for such fund, or at any time when the official forecast of recurring revenues for the next fiscal year has been reduced by at least one percent from the most recently adopted estimate for the ensuing fiscal year. Monies transferred as a result of the budget actions authorized

1 by this Subsubparagraph are deemed available for appropriation and expenditure, but
 2 in no event shall the aggregate amount of any such transfers exceed the amount of
 3 the difference between the official forecast for the current fiscal year and the next
 4 fiscal year **projected deficit for the next fiscal year due to the reduction in the**
 5 **official forecast as contained in this Subsubparagraph.**

6 * * *

7 (4) The provisions of Subparagraphs (1) and (2) of this Paragraph shall not
 8 be applicable to, nor affect:

9 * * *

10 **(h) Monies in the Coastal Protection and Restoration Fund as provided**
 11 **in Article VII, Section 10.2 of this constitution.**

12 **(i) Any health care provider fees or assessments in the Hospital**
 13 **Stabilization Fund as provided in Article VII, Section 10.13 of this constitution,**
 14 **or the Louisiana Medical Assistance Trust Fund as provided in Article VII,**
 15 **Section 10.14 of this constitution.**

16 **(j) Funds in the Oilfield Site Restoration Fund as provided in Article VII,**
 17 **Section 10.6 of this constitution.**

18 **(k) Funds in the Conservation Fund as provided in Article VII, Section**
 19 **10-A of this constitution.**

20 * * *

21 Section 2. Be it further resolved that this proposed amendment shall be submitted
 22 to the electors of the state of Louisiana at the statewide election to be held on November 8,
 23 2016.

24 Section 3. Be it further resolved that on the official ballot to be used at said election
 25 there shall be printed a proposition, upon which the electors of the state shall be permitted
 26 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
 27 follows:

28 Do you support an amendment to authorize the use of up to five percent of
 29 current year appropriations or allocations from statutorily or certain

1 constitutionally created funds or up to one percent of the current year's
 2 balances in certain constitutionally created funds to eliminate a projected
 3 deficit in the next fiscal year if the official forecast for the next fiscal year is
 4 less than the official forecast for the current fiscal year or if the official
 5 forecast has been reduced by at least one percent from the most recently
 6 adopted estimate for the ensuing fiscal year?

7 (Amends Article VII, Section 10(F)(2)(b); adds Article VII, Section
 8 10(F)(4)(h), (i), (j), and (k))

The original instrument was prepared by Martha Hess. The following digest, which does not constitute a part of the legislative instrument, was prepared by Linda Nugent.

DIGEST

SB 201 Reengrossed

2016 Regular Session

Allain

Present constitution provides for the purposes of the budget estimate and enactment of the budget for the next fiscal year, when the official forecast of recurring revenues for the next fiscal year is at least 1% less than the official forecast for the current fiscal year, in order to avoid a budget deficit in the next fiscal year, an amount not to exceed 5% of the total appropriations or allocations for the current fiscal year from any statutory or constitutional fund shall be available for expenditure in the next fiscal year for a purpose other than as specifically provided by law or this constitution.

Proposed constitution revises present constitution to provide that when the official forecast of recurring revenues for the next fiscal year is at least 1% less than the official forecast for the current fiscal year, or at any time when the official forecast of recurring revenues for the next fiscal year has been reduced by at least 1% from the most recently adopted estimate for the ensuing fiscal year, the following procedures may be employed to avoid a budget deficit in the next fiscal year:

- (1) An amount not to exceed 5% of the total appropriations or allocations for the current fiscal year from any fund established by law or this constitution shall be available for expenditure in the next fiscal year for a purpose other than as specifically provided by law or the constitution.
- (2) An amount not to exceed 1% of the balance in the current fiscal year from any fund established by the constitution shall be available in the next fiscal year for a purpose other than as specifically provided by law or the constitution.

Present constitution provides that for purposes of this provision, an amount not to exceed 1% of the current fiscal year appropriation for Minimum Foundation Program expenditures shall be available for expenditures for other purposes in the next fiscal year.

Proposed constitution retains present constitution.

Present constitution further provides that monies made available as authorized under this provision may be transferred to a fund for which revenues have been forecast to be less than the revenues in the current fiscal year for such fund.

Proposed constitution retains present constitution and further provides that monies may also be transferred to a fund at any time when the official forecast of recurring revenues for the next fiscal year has been reduced by at least 1% from the most recently adopted estimate for the ensuing fiscal year.

Present constitution provides that monies transferred as a result of the budget actions authorized by present constitution are deemed available for appropriation and expenditure, but in no event shall the aggregate amount of any such transfers exceed the amount of the difference between the official forecast for the current fiscal year and the next fiscal year.

Proposed constitution retains present constitution regarding the monies transferred being deemed available for appropriation and expenditure, but provides that the aggregate amount of such transfers shall not exceed the projected deficit for the next fiscal year due to the reduction in the official forecast.

Present constitution provides for certain exceptions to transfers of monies to avoid a budget deficit. Proposed constitution would add to the list of exceptions monies in the Coastal Protection and Restoration Fund, the Conservation Fund, the Oilfield Site Restoration Fund, and any health care provider fees or assessments in the Hospital Stabilization Fund or the La. Medical Assistance Trust Fund.

Specifies submission of the amendment to the voters at the statewide election to be held on November 8, 2016.

(Amends Const. Art. VII, Sec. 10(F)(2)(b) and (4)(h), (i), (j), and (k))

Summary of Amendments Adopted by Senate

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

1. Changes authorization to use up to 5% of the total appropriations or allocations for the current fiscal year from any fund in the next fiscal year for a purpose other than as specifically provided by law from report of Legislative Fiscal Officer to the Joint Legislative Committee on the Budget that appropriations for either healthcare or higher education is an amount less than the appropriations in the existing operating budget for the current fiscal year to reduction in official forecast of recurring revenues for the next fiscal year by at least 1% prior to submission of executive budget to the legislature or enrollment and submission to governor of general appropriation bill.
2. Provides another procedure to avoid a budget deficit by making up to 1% of the balance in the current fiscal year from any fund established by law or the constitution, available in the next fiscal year for a purpose other than as specifically provided by law.
3. Changes aggregate amount of transfers pursuant to constitutional provision from the amount of the difference between the official forecasts for the current and next fiscal year to the amount of the projected deficit for the next fiscal year due to the reduction in the official forecast.

Senate Floor Amendments to engrossed bill

1. Provides that budget deficit avoidance procedures may be employed at any time the official forecast of recurring revenues for the next fiscal year has been reduced by at least one percent from the most recently adopted estimate for the ensuing year.

2. The one percent of the balance in a fund that may be available in the next fiscal year for a purpose other than specifically provided by law or the constitution is limited to only funds established by the constitution.
3. Adds to the list of exceptions monies in the Coastal Protection and Restoration Fund, the Conservation Fund, the Oilfield Site Restoration Fund, and any health care provider fees or assessments in the Hospital Stabilization Fund or the La. Medical Assistance Trust Fund.
4. Technical amendments.