



1 any constitutionally protected or mandated allocations or appropriations, once  
2 enacted, shall not be changed except by specific legislative instrument which  
3 receives a favorable vote of two-thirds of the elected members of each house of the  
4 legislature. Notwithstanding the provisions of Article III, Section 2 of this  
5 constitution, such law may be introduced and considered in any regular session of  
6 the legislature.

7 (2)(a) Notwithstanding any other provision of this constitution to the  
8 contrary, adjustments to any constitutionally protected or mandated allocations or  
9 appropriations, and transfer of monies associated with such adjustments, are  
10 authorized when state general fund allocations or appropriations have been reduced  
11 in an aggregate amount equal to at least seven-tenths of one percent of the total of  
12 such allocations and appropriations for a fiscal year. Such adjustments may not  
13 exceed five percent of the total appropriation from any fund to any health care or  
14 higher education program and may not exceed five percent of the total appropriation  
15 or allocation from a fund for the fiscal year. For purposes of this Subsubparagraph,  
16 reductions to expenditures required by Article VIII, Section 13(B) of this constitution  
17 shall not exceed one percent and such reductions shall not be applicable to  
18 instructional activities included within the meaning of instruction pursuant to the  
19 Minimum Foundation Program formula. Notwithstanding any other provisions of  
20 this constitution to the contrary, monies transferred as a result of such budget  
21 adjustments are deemed available for appropriation and expenditure in the year of  
22 the transfer from one fund to another, but in no event shall the aggregate amount of  
23 any transfers exceed the amount of the deficit.

24 (b) Notwithstanding any other provision of this constitution to the contrary,  
25 for the purposes of the budget estimate and enactment of the budget for the next  
26 fiscal year, when the official forecast of recurring revenues for the next fiscal year  
27 is at least one percent less than the official forecast for the current fiscal year, the  
28 following procedure may be employed to avoid a budget deficit in the next fiscal  
29 year. An amount not to exceed five percent of the total appropriations or allocations

1 for the current fiscal year from any fund established by law or this constitution  
 2 excluding any fund established to provide health care or to support higher education  
 3 shall be available for expenditure in the next fiscal year for a purpose other than as  
 4 specifically provided by law or this constitution. For the purposes of this  
 5 Subsubparagraph, an amount not to exceed one percent of the current fiscal year  
 6 appropriation for expenditures required by Article VIII, Section 13(B) of this  
 7 constitution shall be available for expenditures for other purposes in the next fiscal  
 8 year. Notwithstanding any other provisions of this constitution to the contrary,  
 9 monies made available as authorized under this Subsubparagraph may be transferred  
 10 to a fund for which revenues have been forecast to be less than the revenues in the  
 11 current fiscal year for such fund. Monies transferred as a result of the budget actions  
 12 authorized by this Subsubparagraph are deemed available for appropriation and  
 13 expenditure, but in no event shall the aggregate amount of any such transfers exceed  
 14 the amount of the difference between the official forecast for the current fiscal year  
 15 and the next fiscal year.

16 \* \* \*

17 Section 2. Be it further resolved that this proposed amendment shall be submitted  
 18 to the electors of the state of Louisiana at the congressional election to be held on November  
 19 2, 2010.

20 Section 3. Be it further resolved that on the official ballot to be used at said election  
 21 there shall be printed a proposition, upon which the electors of the state shall be permitted  
 22 to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall  
 23 read as follows:

24 To prohibit disproportionate reductions in health care and higher education  
 25 when adjusting appropriations to eliminate a projected deficit. To restrict the  
 26 redirection of appropriations from funds dedicated toward health care and  
 27 higher education to avoid a budget deficit in the current or next fiscal year.

28 (Amends Article VII, Section 10(F)(1) and (2)(a) and (b))

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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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Barrow

HB No. 1035

**Abstract:** Specifies that methods for adjusting appropriations to eliminate a projected deficit shall assure that health care and higher education do not bear a disproportionate share of any adjustments. Prohibits the reallocation of more than 5% of any appropriation from a dedicated fund to health care or higher education to eliminate a projected deficit in the current or next fiscal year.

Present constitution authorizes the legislature to establish a procedure by law to determine a projected deficit and a method for adjusting appropriations to eliminate the deficit. Provides that the law shall not be changed except by specific legislative instrument which receives a favorable vote of two-thirds of the elected members of each house of the legislature

Proposed constitutional amendment provides that any method for adjusting appropriations in order to eliminate a projected deficit shall assure that health care and higher education do not bear a disproportionate share of any adjustments.

Present constitution authorizes the governor, with legislative approval, to reduce up to 5% of appropriations or allocations from the state general fund and dedicated funds in any fiscal year in which a deficit is projected and reductions of 0.7% in appropriations from the state general fund have already occurred. Further provides that such reductions to the Minimum Foundation Program (MFP) shall be limited to 1% and shall not be applicable to instructional activities.

Proposed constitutional amendment further limits adjustments to 5% of the total appropriated from a fund to any health care or higher education program.

Present constitution authorizes the legislature to reduce the monies appropriated or allocated for mandatory expenditures or allocations by up to 5%, making those funds available for other, nonmandatory expenditures if the official revenue forecast for the next year is at least 1% less than for the current year.

Proposed constitutional amendment excludes any fund established to provide health care or to support higher education.

Present constitution provides that these provisions shall not be applicable to, nor affect (1) the Bond Security and Redemption Fund or any bonds secured thereby, or any other funds pledged as security for bonds or evidences of indebtedness; (2) the severance tax and royalty allocations to parishes (Art. VII, §4(D) and (E)); (3) state retirement contributions; (4) the La. Education Quality Trust Fund; and (5) the Millennium Trust, except for appropriations from the trust.

Provides for submission of the proposed amendment to the voters at the congressional election to be held on Nov. 2, 2010.

(Amends Const. Art. VII, §10(F)(1) and (2)(a) and (b))