HLS 12RS-884 ORIGINAL

Regular Session, 2012

HOUSE BILL NO. 552

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BY REPRESENTATIVE GEYMANN

BUDGETARY PROCEDURES: Requires precertification of the executive budget by the Revenue Estimating Conference

AN ACT

2 To amend and reenact R.S. 39:36(A)(1) and to enact R.S. 39:24.1 and 26(D), relative to the 3 executive budget, to require precertification of the executive budget by the Revenue 4 Estimating Conference; to provide for contents of the executive budget; to provide 5 for effectiveness; and to provide for related matters. 6 Be it enacted by the Legislature of Louisiana: 7 Section 1. R.S. 39:36(A)(1) is hereby amended and reenacted and R.S. 39:24.1 and 8 26(D) are hereby enacted to read as follows: 9 §24.1 Precertification 10 A.(1) The Revenue Estimating Conference shall review the executive budget 11 for the next fiscal year prior to its submission to the legislature as required by Article 12 VII, Section 10(B)(2) of the Constitution of Louisiana. The Revenue Estimating 13 Conference shall determine if the executive budget is balanced, does not exceed the 14 official forecast, does not exceed the expenditure limit, does not contain the 15 appropriation of any money designated as nonrecurring for purposes other than those 16 specifically authorized by Article VII, Section 10(D)(2) of the Constitution of 17 Louisiana, and contains no contingent appropriations. The determination shall be 18 transmitted by letter to the governor for inclusion in the executive budget submitted

to the Joint Legislative Committee on the Budget in accordance with R.S. 39:37.

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1	(2) The Revenue Estimating Conference shall meet as needed to certify an
2	appropriation bill as required by Article III, Section 16(B)(2) of the Constitution of
3	Louisiana.
4	B. The Revenue Estimating Conference may utilize whatever staff,
5	information, and technical expertise which it may determine is required to make the
6	determination required under Paragraph A(1) of this Section.
7	C. (1) Except as provided in Paragraph (2) of this Subsection, any conference
8	determination pursuant to this Section shall be by unanimous vote of its members.
9	(2) If the conference is unable to make a unanimous determination, the
10	determination may be made by a three-fourths vote of the conference principals if
11	such determination is affirmed by at least two-thirds of the elected member of each
12	house of the legislature. Such affirmation shall be by concurrent resolution or by
13	mail ballot if the legislature is not in session.
14	* * *
15	§26. Sessions
16	* * *
17	D. The Revenue Estimating Conference shall meet at least two weeks prior
18	to the submission of the executive budget to the Joint Legislative Committee on the
19	Budget as required by R.S. 39:37 to determine if the governor's budget estimate can
20	be precertified.
21	* * *
22	§36. Contents and format of executive budget; supporting document
23	A. The executive budget shall present a complete financial and
24	programmatic plan for the ensuing year, and it shall be configured in a format so as
25	to clearly present and highlight the functions and operations of state government and
26	the financial requirements associated with those functions and operations. The
27	executive budget shall be a performance-based budget. It shall include at a minimum
28	the following:

1 (1)(a) A budget message signed by the governor giving a summary 2 description of his proposed financial plan and major programmatic and budgetary policies for the ensuing fiscal year and including a statement of the impact that his 3 4 proposed recommendation has on the existing operating budget. 5 (b) A letter from the Revenue Estimating Conference certifying that the executive budget is balanced, does not exceed the official forecast of the conference, 6 7 does not exceed the expenditure limit, does not contain the appropriation of any 8 nonrecurring money for purposes other than those permitted under Article VII, 9 Section 10(D)(2) of the Constitution of Louisiana, and contains no contingent 10 appropriations. 11 12 Section 2. This Act shall take effect and become operative if and when the proposed amendment of Article VII, Sections 10 and 11 of the Constitution of Louisiana contained in 13 the Act which originated as House Bill No. ____ of this 2012 Regular Session of the 14 15 Legislature is adopted at a statewide election and becomes effective.

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)]

Geymann HB No. 552

Abstract: Requires the Revenue Estimating Conference to certify that the governor's budget estimate is balanced, does not exceed the official forecast of the conference, does not exceed the expenditure limit, does not contain any nonrecurring money for purposes other than those specifically enumerated in the constitution, and contains no contingent appropriations.

<u>Present law</u> requires the governor to submit an executive budget to the legislature at each regular session presenting the governor's recommended complete financial plan for the year. Requires the executive budget be submitted to the Joint Legislative Committee on the Budget no later than 30 days prior to the regular session of the legislature in the first year of a term and 45 days prior otherwise (R.S. 39:37(A)). The budget must include a recommendation for appropriations from the state general fund and from dedicated funds which do not exceed the official forecast of the Revenue Estimating Conference (REC).

<u>Proposed law</u> retains <u>present law</u> and adds that the executive budget shall be reviewed by the REC two weeks prior to its submission to the Joint Legislative Committee on the Budget. The REC is charged under the <u>proposed law</u> with reviewing and precertifying that the governor's budget estimate is balanced, does not exceed the official forecast of the conference, does not exceed the expenditure limit, does not contain any nonrecurring money

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for purposes other than those specifically enumerated in the constitution, and contains no contingent appropriations. <u>Proposed law</u> requires that the REC's precertification be included in the governor's subsequent submission of his executive budget to the legislature.

Effective if and when the proposed amendment of Article VII, Sections 10 and 11 of the Constitution of La. contained in the Act which originated as House Bill No. __ of this 2012 R.S. of the Legislature is adopted at a statewide election and becomes effective.

(Amends R.S. 39:36(A)(1); Adds R.S. 39:24.1 and 26(D))