

Regular Session, 2011

SENATE BILL NO. 171

BY SENATOR CHAISSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING. Provides relative to deposits into the Budget Stabilization Fund. (See Act)

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AN ACT

To amend and reenact R.S. 39:94(C)(4)(b), relative to the Budget Stabilization Fund; to provide for deposits into the Budget Stabilization Fund in certain circumstances; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:94(C)(4)(b) is hereby amended and reenacted to read as follows:

SUBPART B. BUDGET STABILIZATION FUND

§94. Budget Stabilization Fund

* * *

C. The money in the fund shall not be available for appropriation except under the following conditions:

* * *

(4)

* * *

(b)(i) Notwithstanding any provision of this Section to the contrary, ~~except pursuant to a specific appropriation by the legislature,~~ **if the balance in the fund is at its maximum and money in the fund is made available for appropriation or**

1 **use as provided in this Paragraph, beginning in fiscal year 2011**, no appropriation
 2 or deposit to the fund shall be made **as provided in Subparagraph (A)(2)(a) of this**
 3 **Section** ~~in the same fiscal year as an appropriation, use or withdrawal is made from~~
 4 ~~the fund or until such time as the official forecast exceeds the actual collections of~~
 5 ~~state general fund (direct) revenue for Fiscal Year 2008.~~ **in the fiscal year for which**
 6 **money in the fund is appropriated or for which money in the fund is**
 7 **incorporated into the official forecast nor for the ensuing fiscal year.**

8 **(ii) Except as provided in Item (i) of this Subparagraph, in the fiscal**
 9 **year for which money in the fund is appropriated or incorporated into the**
 10 **official forecast or for the ensuing fiscal year, deposits to the fund may be made**
 11 **as provided in Subsection (A) of this Section.**

12 Section 2. Section 1 of this Act shall take effect and become operative if the
 13 amendment of Article VII, Section 10.3 of the Constitution of Louisiana contained in the Act
 14 which originated as Senate Bill No. ____ of this 2011 Regular Session of the Legislature is
 15 adopted at the statewide election to be held on October 22, 2011 and at the same time as
 16 such proposed amendment becomes effective.

17 Section 3. Sections 2 and 3 of this Act shall become effective on July 1, 2011. If
 18 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 19 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Martha S. Hess.

DIGEST

Present law establishes the Budget Stabilization Fund in the state treasury and provides the following revenues are to be deposited into the fund:

- (1) Monies available for appropriation in excess of the expenditure limit.
- (2) All mineral revenues received by the state in each fiscal year in excess of the base, which, by legislative act, was increased to \$850 million.
- (3) 25% of any monies recognized by the Revenue Estimating Conference as nonrecurring.
- (4) Any other monies appropriated to the fund by the legislature including the balance of any monies declared to be nonrecurring.

Proposed law retains present law.

Present law permits up to 1/3 of the Budget Stabilization Fund, subject to 2/3 approval of each house of the legislature, to be incorporated in the next fiscal year's official forecast if revenue estimates for the next fiscal year are less than the official forecast for the current fiscal year. Present law further permits up to 1/3 of the Budget Stabilization Fund, subject to 2/3 approval of each house of the legislature, to be appropriated for the current fiscal year budget if a deficit for the current fiscal year is projected due to a decrease in the official forecast.

Proposed law retains present law.

Proposed law provides that if the balance in the fund is at its maximum and money in the fund is made available for appropriation or use as provided in present law, beginning in fiscal year 2011, no deposit to the fund of mineral revenues shall be made in the fiscal year for which money in the fund is appropriated or for which money in the fund is incorporated into the official forecast nor for the ensuing fiscal year. Proposed law further provides that all other deposits, except mineral revenues, shall continue to be made to the fund in the fiscal year for which money in the fund is appropriated or incorporated into the official forecast or for the ensuing fiscal year.

Section 1 of proposed law becomes effective and operative if the amendment of Article VII, Section 10.3(C) of the Constitution of Louisiana contained in the Act which originated as SB ___ of the 2011 RS is adopted at the statewide election to be held on October 22, 2011, and at the same time as such proposed amendment becomes effective. Sections 2 and 3 of the Act, which are the effective date provisions, become effective on July 1, 2011.

(Amends R.S. 39:94(C)(4)(b))