SLS 16RS-57

2016 Regular Session

SENATE BILL NO. 178

BY SENATOR PEACOCK

FISCAL CONTROLS. Provides relative to certain appropriations. (7/1/16)

1	AN ACT
2	To amend and reenact R.S. 39:54(B), (C), and (D) and to enact R.S. 39:54(A)(3) and the
3	introductory paragraph of (E), relative to certain appropriations; to provide for
4	requirements relative to certain appropriations; to provide for the use of monies that
5	are nonrecurring; to provide for an effective date; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 39:54(B), (C), and (D) are hereby amended and reenacted and R.S.
8	39:54(A)(3) and the introductory paragraph of (E) are hereby enacted to read as follows:
9	§54. Limitations on appropriations
10	А.
11	* * *
12	(3) Except as otherwise provided by the Constitution of Louisiana,
13	money shall be drawn from the state treasury only pursuant to an
14	appropriation made in accordance with law.
15	B. Appropriation of any money designated in the official forecast as
16	nonrecurring shall be made only in accordance with the following for the following
17	purposes:

Page 1 of 5 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions. 5

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1(1) At a minimum, twenty-five percent of nonrecurring revenue shall be2appropriated for deposit in the Budget Stabilization Fund Retiring or for the3defeasance of bonds in advance or in addition to the existing amortization4requirements of the state.

(2)(a) Providing for payments against the unfunded accrued liability of the public retirement systems which are in addition to any payments required for the annual amortization of the unfunded accrued liability of the public retirement systems, required by Article X, Section 29(E)(2)(c) of the Constitution of Louisiana; however, any such payment payments to the public retirement systems shall not be used, directly or indirectly, to fund cost-of-living increases for such systems.

11 (b) At a minimum, for For Fiscal Years 2013-2014 and 2014-2015, the 12 legislature shall appropriate no less than five percent of any money designated in the 13 official forecast as nonrecurring to the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana for application to the 14 balance of the unfunded accrued liability of such systems existing as of June 30, 15 16 1988, in proportion to the balance of such unfunded accrued liability of each such system. Any such payments to the public retirement systems shall not be used, 17 18 directly or indirectly, to fund cost-of-living increases for such systems.

19 (c) At a minimum, for For Fiscal Year 2015-2016 and every fiscal year thereafter, the legislature shall appropriate no less than ten percent of any money 20 designated in the official forecast as nonrecurring to the Louisiana State Employees' 21 Retirement System and the Teachers' Retirement System of Louisiana for application 22 to the balance of the unfunded accrued liability of such systems existing as of June 23 24 30, 1988, in proportion to the balance of such unfunded accrued liability of each such system. Any such payments to the public retirement systems shall not be used, 25 directly or indirectly, to fund cost-of-living increases for such systems. 26

27 (3) After satisfying the requirements of Paragraphs (1) and (2) of this
28 Subsection, the remainder may be appropriated only for the following purposes:
29 Providing funding for capital outlay projects in the comprehensive state budget.

Page 2 of 5 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	(a)(4) Retiring or defeasance of bonds in advance and in addition to the
2	existing amortization requirements of the state. Providing for allocation or
3	appropriation for deposit into the Budget Stabilization Fund established in
4	Article VII, Section 10.3 of the Constitution of Louisiana.
5	(b) Providing funding for capital outlay projects in the comprehensive state
6	budget.
7	(c)(5) Providing for allocation or appropriation for deposit into the Coastal
8	Protection and Restoration Fund established in Article VII, Section 10.2 of the
9	Constitution of Louisiana.
10	(d)(6) Providing for new highway construction for which federal matching
11	funds are available, without excluding highway projects otherwise eligible as capital
12	projects under other provisions of law.
13	C.(1) The legislature shall provide by law for the payment by the state
14	of supplements to the salaries of full-time local law enforcement and fire
15	protection officers of the state. No law shall reduce any payments by the state
16	provided as a supplement to the salaries of full-time local law enforcement and
17	fire protection officers of the state.
18	(2) For the purposes of this Paragraph, local law enforcement and fire
19	protection officers shall mean and include the same classes of officers which are
20	eligible for such state salary supplements under the law as of July 1, 2003.
21	(3) Full funding as required in Paragraph (1) of this Subsection shall be
22	equal to the amount which is required to meet the requirements of law.
23	(4) Neither the governor nor the legislature may reduce an appropriation
24	made pursuant to this Paragraph except that the governor may reduce such
25	appropriation using means provided in the Act containing the appropriation,
26	provided that two-thirds of the elected members of each house of the legislature
27	consent to any such reduction in writing.
28	$\underline{\mathbf{D}}$. Appropriations by the legislature from the state general fund and
29	dedicated funds for any fiscal year, except funds allocated by Article VII, Section

Page 3 of 5 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

SB 178 Original

1	4, Paragraphs (D) and (E) of the Constitution of Louisiana, shall not exceed the
2	expenditure limit.
3	\mathbf{D} . E. Appropriations by the legislature of monies out of the Transportation
4	Trust Fund to the Department of Public Safety and Corrections, office of state police,
5	shall not exceed the following:
6	* * *
7	Section 2. This Act shall become effective on July 1, 2016; if vetoed by the governor
8	and subsequently approved by the legislature, this Act shall become effective on July 1,
9	2016, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jay R. Lueckel.

DIGEST 2016 Regular Session

Peacock

Present law provides for requirements relative to certain appropriations.

<u>Proposed law</u> retains <u>present law</u> and provides that except as otherwise provided by the Constitution of Louisiana, money shall be drawn from the state treasury only pursuant to an appropriation made in accordance with law.

<u>Present law</u> provides that money designated in the official forecast as nonrecurring shall only be appropriated for certain purposes.

<u>Proposed law</u> retains <u>present law</u> and specifies that nonrecurring revenue shall be appropriated only for retiring or for the defeasance of bonds in advance or in addition to the existing amortization requirements of the state; for providing funding for capital outlay projects in the comprehensive state budget; for providing for the allocation or appropriation for deposit into the Budget Stabilization Fund.

<u>Proposed law</u> adds other constitutional requirements that the legislature shall provide for the payment of supplements to the salaries of full-time local law enforcement and fire protection officers of the state and that no law shall reduce any supplemental payments to full-time law enforcement and fire protection officers.

<u>Proposed law</u> also provides for conditions of eligibility for full-time law enforcement and fire protection officers to receive salary supplements; that full funding shall be equal to the amount required to meet the requirements of law; and that neither the governor nor the legislature may reduce an appropriation except by using means provided for in the Act containing the appropriation, provided that two-thirds of the elected members of each house of the legislature consent to any such reduction in writing.

<u>Present law</u> includes constitutional provisions that appropriations of the legislature from the state general fund and dedicated funds shall not exceed the expenditure limit.

<u>Proposed law</u> retains <u>present law</u> and provides an exception to the expenditure limit for funds allocated by Article VII, Section 4, Paragraphs (D) and (E) of the Constitution of Louisiana relative to mineral royalties and severance taxes.

Page 4 of 5

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SLS 16RS-57

Effective July 1, 2016.

(Amends R.S. 39:54(B), (C) and (D); adds R.S. 39:54(A)(3) and (E)(intro para))