

STATEMENT OF PROPOSED CONSTITUTIONAL AMENDMENTS
November 8, 2016

In compliance with R.S. 18:431 and R.S. 18:552, a statement of the Proposed Constitutional Amendments in the order in which they will appear on the ballot for the November 8, 2016 election is provided as follows:

1. “Do you support an amendment to provide that the manner of appointment for the registrar of voters in each parish is as provided by law and to require the qualifications of the registrar to be provided by law?”

Act 677 (2016 Regular Session) amends Article XI, Section 5.

Present Constitution provides that the governing authority of each parish shall appoint a registrar of voters and the compensation, removal from office for cause, bond, powers and functions shall be provided by law.

Proposed Constitutional Amendment retains present constitution and adds for the manner of appointment and the qualifications of a registrar of voters to be provided by law.

2. “Do you support an amendment to authorize the postsecondary education management boards to establish the tuition and mandatory fee amounts charged by institutions under their supervision and management, without legislative approval?”

Act 680 (2016 Regular Session) adds Article VIII, Section 7.2.

Present Constitution provides that any new fee or increase in an existing fee imposed or assessed by the state or any board, department, or agency of the state shall require the enactment of a law by a two-thirds vote of the elected members of each house of the legislature, including tuition and fees charged by public postsecondary education management boards.

Proposed Constitutional Amendment authorizes the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, the Board of Supervisors of Southern University and Agricultural and Mechanical College, the Board of Supervisors for the University of Louisiana System, and the Board of Supervisors of Community and Technical Colleges to have the authority to establish the tuition and mandatory fee amounts charged by the institutions under their respective supervision and management without legislative approval.

3. “Do you support an amendment to eliminate the deductibility of federal income taxes paid in computing state corporate income taxes?”

Act 31 (2016 First Extraordinary Session) amends Article VII, Section 4(A).

Present Constitution provides that equal and uniform taxes may be levied on net incomes and the taxes may be graduated according to the amount of net income; provides that the state individual and joint income tax schedule of rates and brackets shall never exceed the rates and brackets in Title 47 of the Louisiana Revised Statutes on January 1, 2003; and allows federal income taxes paid to be a deductible item in computing state income taxes for the same period.

Proposed Constitutional Amendment would no longer allow federal income taxes paid to be a deductible item in computing state corporate income taxes.

4. “Do you support an amendment to authorize an exemption from ad valorem property tax for the total assessed value of the homestead of an unmarried surviving spouse of a person who died while on active duty as a member of the armed forces of the United States or the Louisiana National Guard, or while performing their duties as a state police, law enforcement, or fire protection officer?”

Act 678 (2016 Regular Session) adds Article VII, Section 21(M).

Present Constitution provides certain exemptions from ad valorem taxation.

Proposed Constitutional Amendment authorizes an exemption from ad valorem taxes due in 2017 and thereafter, for the total assessed value of the homestead for an unmarried surviving spouse of a person who died while on active duty as a member of the armed forces of the United States or the Louisiana National Guard, or while performing their duties as a state police officer, law enforcement officer, or fire protection officer who qualified for the salary supplement authorized in this constitution and:

(1) Provides that the exemption from ad valorem taxes shall apply beginning in the tax year in which the person died or 2017, whichever is later;

(2) Provides that the exemption shall apply only if the following conditions are met:

(a) The property is eligible for the homestead exemption and the property was the residence of the member of the armed forces of the United States or the Louisiana National Guard, the state police officer, or the law enforcement or fire protection officer when the member or officer died;

(b) The surviving spouse has not remarried; and

(c) The surviving spouse annually provides evidence of their eligibility for the exemption;

(3) Requires each assessor to establish a procedure where a person may annually apply for the exemption;

(4) Provides that eligibility for the exemption shall be established by the production of documents and certification of information by the surviving spouse to the assessor as follows:

(a) The surviving spouse shall produce documentation issued by their deceased spouse's employer evidencing the death in the initial application for the exemption; and

(b) The surviving spouse shall annually provide a sworn statement to the assessor attesting that the surviving spouse has not remarried, for purposes of the continuation of an existing exemption;

(5) Authorizes an unmarried surviving spouse who has qualified for and taken the exemption, who acquires a different property which qualifies for the homestead exemption, to claim an exemption on the subsequent homestead that is limited in value to the amount of the exemption claimed on the prior homestead in the last year the exemption was claimed; and

(6) Provides that the assessor may require the submission of certain information concerning the amount of the exemption on the prior homestead to determine the extent of the exemption available for the subsequent homestead.

5. "Do you support an amendment to establish the Revenue Stabilization Trust Fund for the deposit of recurring mineral and corporate tax revenues, to restrict the use of the fund to 10% of the balance when the balance reaches \$5 billion, to restrict the use of the fund to construction projects and transportation infrastructure, and to allocate recurring mineral revenues to the payment of state employee retirement debt?"

Act 679 (2016 Regular Session) adds Article VII, Section 10(F)(4)(h), 10.15, and 10.16.

Proposed Constitutional Amendment establishes the Revenue Stabilization Trust Fund in the state treasury as a special trust fund and:

(1) Provides that after allocation of money to the Bond Redemption and Security Fund, the treasurer shall deposit in and credit to the fund the mineral revenues as provided in Section 10.16 of this constitution and the amount of revenues in excess of \$600 million

dollars received each fiscal year from corporate franchise and income taxes as recognized by the Revenue Estimating Conference;

(2) Provides that monies deposited into the fund shall be permanently credited to the trust fund and shall be invested by the treasurer in a manner provided for by law and no appropriations shall be made from the fund except for the following:

(a) In any fiscal year in which the balance of the fund at the beginning of the year is in excess of \$5 billion dollars, referred to as the minimum fund balance, the legislature may appropriate an amount not to exceed 10% of the fund balance, referred to as the allowable percentage, for capital outlay projects in the comprehensive state capital budget; transportation infrastructure; or the minimum fund balance or the allowable percentage may be changed by law enacted by two-thirds of the elected members of each house of the legislature; and

(b) The legislature may authorize an appropriation from the fund to ensure the money in the fund is available for appropriation in an emergency at any time for any purpose only after the consent of two-thirds of the elected members of each house of the legislature. The two-thirds requirement may be satisfied upon obtaining the written consent of two-thirds of the elected members of each house of the legislature in a manner provided by law, if the legislature is not in session;

(3) Requires the treasurer to deposit all interest or other income from investment generated from the fund into the state general fund;

(4) Provides that all mineral revenues, including severance taxes, royalty payments, bonus payments or rentals, with the exception of revenues designated as nonrecurring in this constitution, revenues received by the state as a result of grants or donations when the terms or conditions thereof require otherwise, or revenues derived from any tax on the transportation of minerals, received in each fiscal year by the state as a result of the production of or exploration for minerals, referred to as "mineral revenues", shall be allocated as provided in this Section after the following allocations and deposits of mineral revenues have been made:

(a) To the Bond Security and Redemption Fund;

(b) Severance taxes and royalty payments to the political subdivisions of the state;

(c) To the Louisiana Wildlife and Fisheries Conservation Fund;

(d) To the Louisiana Wildlife and Fisheries Conservation Fund and the Oil and Gas Regulatory Fund;

(e) To the Rockefeller Wildlife Refuge and Game Preserve Fund;

(f) To the Marsh Island Operating Fund and the Russell Sage or Marsh Island Refuge Fund;

(g) To the MC Davis Conservation Fund;

(h) To the White Lake Property Fund;

(i) To the Louisiana Education Quality Trust Fund and Louisiana Quality Education Support Fund;

(j) To the Coastal Protection and Restoration Fund;

(k) To the Mineral Revenue and Audit Settlement Fund;

(l) To the Budget Stabilization Fund; and

(m) An amount equal to the state general fund deposited into the Transportation Trust Fund and the Louisiana State Transportation Infrastructure Fund;

(5) Provides that after the allocations and deposits in the funds listed above, the mineral revenues received in each year in excess of \$660 million dollars and less than \$950 million dollars shall be allocated as follows:

(a) 30% shall be appropriated to the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana to apply to the balance of the unfunded accrued liability of such systems existing as of June 30, 1988, in proportion to the balance of such unfunded accrued liability of each such system, until such unfunded accrued liability has been eliminated. The payments to the public retirement systems shall not be used, directly or indirectly, to fund cost-of-living increases for such systems; and

(b) The remainder shall be deposited into the Revenue Stabilization Trust Fund; and

(6) Provides that mineral revenues in excess of the base that would otherwise be deposited into the Budget Stabilization Fund, but are prohibited from being deposited into the fund if the deposit would cause the balance of the fund to exceed 4% of the total state revenue receipts for the previous fiscal year, shall be distributed as follows:

(a) 30% shall be appropriated to the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana to apply to the balance of the unfunded accrued liability of such systems existing as of June 30, 1988, in proportion to the balance of such unfunded accrued liability of each such system, until such unfunded accrued liability has been eliminated. The payments to the public retirement systems shall not be used, directly or indirectly, to fund cost-of-living increases for such systems; and

(b) The remainder shall be deposited into the Revenue Stabilization Trust Fund.

6. “Do you support an amendment to authorize the use of up to five percent of current year appropriations or allocations from statutorily or certain constitutionally created funds or up to one percent of the current year’s balances in certain constitutionally created funds to eliminate a projected deficit in the next fiscal year if the official forecast for the next fiscal year is less than the official forecast for the current fiscal year or if the official forecast has been reduced by at least one percent from the most recently adopted estimate for the ensuing fiscal year, and to exempt certain funds and mandates from being used to eliminate a projected deficit?”

Act 681 (2016 Regular Session) amends Article VII, Section 10(F)(2)(b); and adds Article VII, Section 10(F)(4)(h), (i), (j), (k), and (l).

Present Constitution provides that the legislature by law shall establish a procedure to determine if appropriations will exceed the official forecast and an adequate method for adjusting appropriations to eliminate a projected deficit.

Proposed Constitutional Amendment retains present constitution and:

(1) Provides that 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, 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:

(a) 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 this constitution; and

(b) An amount not to exceed 1% 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;

(2) Provides that an amount not to exceed 1% of the current fiscal year appropriation for expenditures required for the Minimum Foundation Program shall be available for expenditures for other purposes in the next fiscal year. 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, 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;

(3) Provides that monies transferred as a result of the budget actions authorized by this provision are available for appropriation and expenditure, but in no event shall the aggregate amount of any such transfers exceed the amount of the projected deficit for the next fiscal year due to the reduction in the official forecast as contained in this provision; and

(4) Provides that the transfer of funds to avoid a budget deficit shall not apply to the following:

(a) Monies in the Coastal Protection and Restoration Fund;

(b) Any healthcare provider fees or assessments in the Hospital Stabilization Fund or the Louisiana Medical Assistance Trust Fund;

(c) Funds in the Oilfield Site Restoration Fund;

(d) Funds in the Conservation Fund; and

(e) Supplements to salaries of full-time local law enforcement and fire protection officers as provided in this constitution.