



LOUISIANA SENATE

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SENATOR MORRELL MOVES TO CREATE BUDGET FLEXIBILITY

PROPOSES CONSTITUTIONAL AMENDMENT TO ELIMINATE FUNDING DEDICATIONS IN CONSTITUTION

District 3 State Senator JP Morrell (D-New Orleans) has filed legislation that proposes a constitutional amendment to free-up revenue currently tied up in constitutionally dedicated funds and revenues. The measure, Senate Bill 196, is an effort to provide both a short and long-term solution to the difficult challenge of budget balancing. The amendment, if approved by the citizens of Louisiana, would effectively untie the legislature's hands and allow it greater flexibility to set its own budget priorities.

Currently, a large portion of Louisiana's annual budget is dedicated to specific funds. This leaves a relatively small amount that is actually discretionary, almost \$5 billion of the nearly \$30 billion budget. Most of this unprotected pot of money is used to fund higher education, the Department of Education and health care. The relatively small size of this discretionary pool is why the potential \$1.6 billion shortfall is so apocalyptic. Sen. Morrell says that his amendment would allow voters the option of eliminating several constitutional dedications, freeing up over \$1 billion to give future legislatures and governors greater flexibility in the budgetary process.

"This proposed constitutional amendment would allow voters to choose to remove many of Louisiana's constitutional revenue dedications and put those revenues where I believe they belong — in the state's General Fund," said Sen. Morrell. "The purpose of my proposed amendment is to allow voters to untie legislators' hands, fiscally speaking, so that we can set priorities across a larger spectrum of state spending. If we must cut, we should be free to cut in many budget areas, not just one or two."

If approved by the legislature, voters will decide on the amendment next fall.

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