

Constitutional Amendments on the Louisiana November 3 Ballot

Proposed Amendment No. 1

Ballot Language: “Do you support an amendment declaring that, to protect human life, a right to abortion and the funding of abortion shall not be found in the Louisiana Constitution?”

Act 447 (HB 425, 2019 Regular Session by Representative Jackson) - The **proposed constitutional amendment** would prohibit the Louisiana Constitution from containing any language that would protect access to abortion or require funding for abortion.

LABI takes no position on this CA.

Proposed Amendment No. 2

Ballot Language: “Do you support an amendment to permit the presence or production of oil or gas to be included in the methodology used to determine the fair market value of an oil or gas well for the purpose of property assessment?”

Act 368 (HB 360, 2020 Regular Session by Representative Huval) - The **proposed constitutional amendment** would allow Louisiana assessors to consider an oil and gas well’s productivity when determining property tax assessments. Currently, assessors are constitutionally prohibited from considering production when calculating property tax assessments. This approach is used to determine a well’s value when it is being bought and sold on the market, and instituting this concept into tax assessments would give a more realistic value instead of just considering factors such as the age and condition of the well.

LABI supports this CA.

Proposed Amendment No. 3

Ballot Language: “Do you support an amendment to allow for the use of the Budget Stabilization Fund, also known as the Rainy Day Fund, for state costs associated with a disaster declared by the federal government?”

Act 367 (HB 267, 2020 Regular Session by Representative Carter) - The **proposed constitutional amendment** would permit the use of the Rainy Day Fund for state costs arising from a federally declared disaster, provided that two-thirds of each house of the Legislature has approved such appropriation. The amount used cannot exceed 1/3 of the fund, and any federal funds subsequently received for reimbursement of disaster costs is to be deposited into the fund up to no greater than the amount appropriated to cover disaster costs. **The fund level was \$478,224,767 on September 16, 2020.** The amendment provides that the combined amount of the official forecast for the next fiscal year taken together with the amount appropriated in the current fiscal year and the amount appropriated as a result of a federally declared disaster shall not exceed 1/3 of the fund balance at the beginning of the current fiscal year.

LABI takes no position on this CA.

Proposed Amendment No. 4

Ballot Language: “Do you support an amendment to limit the growth of the expenditure limit for the state general fund and dedicated funds and to remove the calculation of its growth factor from the Constitution?”

Act 366 (HB 464, 2020 Regular Session by Representative Beaulieu) – The **proposed constitutional amendment** would require the Legislature to set up a procedure to determine the expenditure limit that will not provide for growth of more than five percent in any year. Once established in law, this procedure may only be changed by a 2/3 vote of each house of the Legislature. Effective June 30, 2022, if passed on November 3, 2020.

LABI supports this CA.

Proposed Amendment No. 5

Ballot Language: “Do you support an amendment to authorize local governments to enter into

cooperative endeavor ad valorem tax exemption agreements with new or expanding manufacturing establishments for payments in lieu of taxes?”

Act 370 (SB 272, 2020 Regular Session by Senator Abraham) - The **proposed constitutional amendment** would permit an exemption from ad valorem taxation for the property of a manufacturer who enters into a cooperative endeavor agreement (CEA) with a local taxing authority to make payments in lieu of taxes (PILOT). The enacting statute that becomes effective if this CA passes permits all local taxing authorities to singly or jointly enter into CEAs with qualifying manufacturers, but no appointing authority is required to negotiate such a CEA. The extent of the exemption must be stipulated in the agreement. Following passage of this CA, any amendment to the enacting statute related to this PILOT exemption shall require a two-thirds vote of each house of the Legislature. Exempt properties are listed on the assessment rolls and information concerning such properties is submitted to the Louisiana Tax Commission. LABI is supportive of PILOTs for local economic development. However, the provisions in the current enacting statute force manufacturers to bear an undue burden of obtaining approvals from multiple taxing authorities rather than a local centralized entity, which as a practical matter will discourage the use of this PILOT approach.

LABI will support legislation in this special session that will remove our concerns with this CA.

Proposed Amendment No. 6

Ballot Language: “Do you support an amendment to increase the maximum amount of income a person may receive and still qualify for the special assessment level for residential property receiving the homestead exemption?”

Act 369 (HB 525, 2020 Regular Session by Representative Hilferty) - Currently, the Constitution provides a special assessment level for residential property receiving the homestead exemption that is owned and occupied by certain persons. Eligibility to qualify for this special assessment is limited to persons whose adjusted gross income for the year prior to an application for special assessment was below \$50,000. Since its establishment, the threshold has increased annually based on the Consumer Price Index (CPI). It now exceeds \$70,000. The **proposed constitutional amendment** would increase the threshold from \$50,000 adjusted annually based on the CPI (i.e., \$70,000+) to \$100,000 with this amount being adjusted based on the CPI beginning in tax year 2026.

LABI takes no position on this CA.

Proposed Amendment No. 7

Ballot Language: “Do you support an amendment to create the Louisiana Unclaimed Property Permanent Trust Fund to preserve the money that remains unclaimed by its owner or owners?”

Act 38 (SB 12, 2020 First Extraordinary Session by Senator Fesi) - **The proposed constitutional amendment** would create the Louisiana Unclaimed Property (UCP) Permanent Trust Fund in the state treasury, effective July 1, 2021, as a special permanent trust fund and provides that no appropriation shall be made from the fund. The fund would be used solely for the payment of claims made by owners of abandoned property. Monies received pursuant to present law (Uniform Unclaimed Property Act, R.S. 9:151 et seq.) remaining after allocation to the Bond Security and Redemption Fund pursuant to present constitution; the payment of all administrative fees, costs, and expenses provided by law; and deposit of monies into the Unclaimed Property Leverage Fund to be deposited in the UCP Permanent Trust Fund. Any realized capital gains, dividend income, and interest income earned on investments in the fund, net of trust fund investment and administrative expenses, shall be deposited into the State General Fund. The state treasurer would be required to annually report the UCP Permanent Trust Fund balance and the state's potential liability for unclaimed property claims to the Legislature and governor. Money is to be deposited into the UCP Permanent Trust Fund until the balance in that fund equals the state's reported potential liability for all unclaimed property. Once this threshold is reached in the UCP Permanent Trust Fund, proposed constitutional amendment requires any additional money received to be deposited into the State General Fund.

LABI takes no position on this CA.