

## RÉSUMÉ DIGEST

**ACT 2 (HB 1)**

**2018 Second Extraordinary Session**

**Henry**

Appropriates \$29 billion for Fiscal Year (FY) 2018-2019, of which \$8.3 billion is state general fund (direct) (SGF). SGF decreased by \$454.1 million when compared to the FY 2017-2018 existing operating budget as of December 1, 2017. Overall, FY 2018-2019 total General Appropriation Bill (GAB) funding is \$100.8 million less than FY 2017-2018.

Other means of financing for FY 2018-2019 include: interagency transfers at \$939.6 million, or \$32.6 million less than FY 2017-2018; fees and self-generated revenues at \$2.8 billion, or \$88.9 million more than FY 2017-2018; statutory dedications at \$2.9 billion, or \$11.5 million more than FY 2017-2018; and federal funding at \$14 billion or \$285.5 million more than FY 2017-2018.

Additionally appropriates \$526.2 million in state general fund (direct) that was subject to approval of revenue raising measures enacted during the 2018 2<sup>nd</sup> E.S.

Effective July 1, 2018.

**VETO MESSAGE:** "I have signed House Bill 1 of the 2018 Second Extraordinary Session. However, I have exercised my line item veto authority granted to me by La. Const. Art. IV, Section S(G)(l) to veto one item. I have exercised my line item veto authority as follows:

Veto No. 1: Delete Lines 36-54 on Page 84 of 194: This provision is an attempt to improperly enact substantive law in House Bill 1. Further, this provision may cause compliance issues with the Center for Medicare and Medicaid Services (CMS). In accordance with the Code of Federal Regulations, specifically 42 CFR 438.4 and 438.5, the formulation and certification of Medicaid Managed Care PMPM rates must follow a specific process including, but not limited to, adhering to Generally Accepted Actuarial Principles. Failure to follow this process could lead to failure of rates being certified and eventually approved by CMS.

Enclosed is a copy of the signed version of House Bill 1. I have sent the original to the Secretary of State."