

RÉSUMÉ DIGEST

ACT 465 (HB 2)

2023 Regular Session

Bishop

Provides for the capital outlay budget and program for FY 2023-2024; provides for the funding of the capital outlays from the specified sources of monies in the specified amounts as follows:

Federal Funds	\$164,814,831
Federal Funds via Interagency Transfer	\$76,471,000
Coastal Protection and Restoration Fund	\$157,401,878
Natural Resources Restoration Trust Fund	\$444,000,000
Transportation Trust Fund (TTF) - Regular	\$442,574,794
Transportation Trust Fund (TTF) - Federal	\$984,550,550
Transportation Trust Fund (TTF) - Construction Subfund	\$190,300,000
Megaprojects Leverage Fund	\$200,000,000
State Highway Improvement Fund	\$33,400,000
Capital Outlay Savings Fund	\$94,917,000
Interagency Transfers	\$111,989,400
Fees and Self-Generated Revenues	\$188,100,000
Re-appropriated Cash	\$1,039,496
Revenue Bonds	\$205,000,000
Interest Earnings	\$900,000
State General Fund (Direct) Non-Recurring Revenues	\$479,428,885
State General Fund (Direct)	<u>\$167,399,000</u>
TOTAL CASH PORTION	<u>\$3,942,286,834</u>

Authorizes the funding of certain capital outlay projects from the sale of general obligation bonds for the projects delineated as follows:

Priority 1	\$1,737,394,389
Priority 2	\$101,741,000
Priority 5	<u>\$5,921,860,597</u>
TOTAL GENERAL OBLIGATION BONDS	<u>\$7,760,995,986</u>
BONDS NRP	<u>\$2,800,463</u>
GRAND TOTAL OF ALL MEANS OF FINANCING	<u>\$11,706,083,283</u>

Vetoed changes to the funding in HB No. 2 as follows:

Priority 1	(\$2,823,981)
Priority 5	(\$43,765,000)
State General Fund (Direct) Non-Recurring	(\$7,400,000)
State General Fund (Direct)	(\$580,000)
Capital Outlay Savings Fund	(\$4,280,000)

Effective upon signature of the governor (June 30, 2023).

VETO MESSAGE: "Please allow this letter to inform you that I have signed House Bill 2 of the 2023 Regular Session. The enrolled House Bill 2 contains \$1.74 billion in Priority 1 general obligation bond appropriations, \$101.7 million in Priority 2 general obligation bond appropriations, and \$5.9 billion in Priority 5 general obligation bond appropriations. Even further, the surplus cash is over appropriated by \$7,190,550 above the amount of surplus available for appropriation.

The overall magnitude of the bill as finally passed is far beyond the state's capacity to fund it in any reasonable way or amount of time. The intent of the capital outlay bill is to provide for a 5-year capital outlay budget. However, the general obligation bond portion of the enrolled House Bill 2 is well over a 10-year plan. Only about 10% of the Priority 5 in the bill

as finally passed would be able to move forward in FY 25 for projects that were planned with a cash means of finance in FY 24. There is no possible way to veto enough projects to bring the bill back in balance, nor is vetoing the entire bill an option because there is no guarantee that another attempt would yield a different result. The only option going forward is to manage the projects through the Bond Commission and through the next administration and legislature. However, I have exercised my line item veto authority granted to me to veto 18 items.

I have exercised my line item veto authority as follows:

Veto No. 1:

Delete Lines 30-34 on Page 54 of 161

Veto No. 2:

Delete Lines 9-13 on Page 56 of 161

Veto No. 3:

Delete Lines 1-6 on Page 57 of 161

Veto No. 4:

Delete Lines 23-26 on Page 78 of 161

Veto No. 5:

Delete Lines 27-31 on Page 78 of 161

Veto No. 6:

Delete Lines 32-35 on Page 78 of 161

Veto No. 7:

Delete Lines 36-40 on Page 78 of 161

Veto No. 8:

Delete Lines 29-33 on Page 80 of 161

Veto No. 9:

Delete Lines 34-38 on Page 80 of 161

Veto No. 10:

Delete Lines 25-30 on Page 84 of 161

Veto No. 11:

Delete Lines 47-49 on Page 87 of 161

Veto No. 12:

Delete Lines 1-3 on Page 93 of 161

Veto No. 13:

Delete Lines 23-31 on Page 93 of 161

Veto No. 14:

Delete Lines 26-32 on Page 105 of 161

Veto No. 15:

Delete Lines 11-19 on Page 124 of 161

Veto No. 16:

Delete Lines 9-19 on Page 126 of 161

Veto No. 17:

Delete Lines 35-39 on Page 129 of 161

Veto No. 18:

Delete Lines 18-23 on Page 130 of 161

Enclosed is a copy of the signed version of House Bill 2. I have sent the original to the Secretary of State."