

The General Appropriation Bill (GAB) totals \$26.5 billion, of which \$7.7 billion is State General Fund (Direct), and \$11.3 billion is Federal Funds. State General Fund (Direct) increased \$55.7 million and Federal Funds increased \$164.5 million when compared to the FY 2011-2012 Existing Operating Budget as of December 1, 2011. Overall, FY 2012-2013 Total GAB funding is \$65.9 million less than FY 2011-2012. The GAB also appropriates \$2.6 billion in Statutory Dedications, which is a decrease of \$221.9 million compared to FY 2011-2012.

The Preamble to the GAB provides that the commissioner of administration shall make reductions of \$22 million in State General Fund (Direct) for annual premium rate decreases in group benefits and \$15 million in State General Fund (Direct) in department appropriations.

Effective July 1, 2012.

VETO MESSAGE:

As authorized by Article III, Section 18(B), and more particularly, Article IV, Section 5(G)(1) of the Constitution of Louisiana, I have exercised my right to veto 10 items of the General Appropriation Bill. I respectfully request that you deliver on my behalf the following message to the members of the Legislature:

This budget builds on our efforts to reform and restructure government to improve the delivery of services, save taxpayer dollars and position our state for more economic growth. It also represents a prudent approach that balances spending restraint with practical solutions that protect critical services like higher education and healthcare.

The budget reduces the number of appropriated state government positions by 6,177, which brings the total number of positions reduced since 2008 to 16,058. Since January 2008, the total number of state employees has already been reduced from more than 100,000 to less than 88,000 – the lowest level in more than 20 years, even before the new position reductions authorized by this budget.

The state General Fund portion of the budget is \$22 million less than the current-year budget. Total state funding included in the budget is \$100 million less than the current year. I have vetoed the following items in House Bill No. 1:

Veto Message No. 1

Page 54, lines 45-51, and Page 55, lines 1-15:

This will reduce funding to streamline the department by realigning its expenditures to spending patterns based on a three-year average and will help to comply with the \$15 million preamble adjustment, and reflects the fact that the department has four funded vacant positions; therefore, I am vetoing this item.

Veto Message No. 2

Page 75, lines 4-6:

This activity has been adequately funded and this veto will help to comply with the \$15 million preamble adjustment; therefore, I am vetoing this item.

Veto Message No. 3

Page 76, lines 39-41:

This item exceeds the projected revenue available from the official Revenue Estimating Conference forecast and any unobligated fund balance; therefore, I am vetoing this item.

Veto Message No. 4

Page 93, lines 1-40:

The consolidation of J. Levy Dabadie Correctional Center into Avoyelles Correctional Center allows the state to streamline the Department of Corrections while still providing the same services and will help to comply with the \$15 million preamble adjustment; therefore, I am vetoing this item.

Veto Message No. 5

Page 130, lines 7-20:

This language is unnecessary to achieve the goals and objectives of the department; therefore, I am vetoing this item.

Veto Message No. 6

Page 130, lines 30-34:

The Department of Health and Hospitals needs to have flexibility in implementing reimbursement methodologies; therefore, I am vetoing this item.

Veto Message No. 7

Page 130, lines 39-46:

Requiring this approval before rules can be promulgated would cause delays in the implementation of the service, reduce budgeted savings by increasing the expenses of the initiative, and cause the budget to be out of balance; therefore, I am vetoing this item.

Veto Message No. 8

Page 130, lines 47-50:

The implementation of this amendment would limit the budgetary discretion of the department during fiscally challenging times; therefore, I am vetoing this item.

Veto Message No. 9

Page 131, lines 19-21:

This amendment would increase the expenses of the program and cause the budget to be out of balance; therefore, I am vetoing this item.

Veto Message No. 10

Page 282, lines 23-30:

House Bill No. 183 of the 2012 Regular Session of the Louisiana Legislature was not enacted into law; therefore, I am vetoing this item.