

July 1, 2002

Mr. Alfred W. Speer  
Clerk of the House of Representatives  
State Capitol  
Baton Rouge, Louisiana 70804

Mr. Michael S. Baer, III  
Secretary of the Senate  
State Capitol  
Baton Rouge, Louisiana 70804

RE: **House Bill No. 1** of the 2002 Regular Session of the Legislature of Louisiana

An Act making appropriations for the ordinary expenses of the executive branch of state government, pensions, public schools, public roads, public charities, and state institutions and providing with respect to the expenditure of said appropriations.

Dear Gentlemen:

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 six items or provisions of the General Appropriation Bill.

**VETO MESSAGE NO. 1:**

Page 118, Lines 28 through 35

This item, which can be interpreted to be a statewide surplus, not necessarily a Department of Health and Hospitals surplus, stipulates that in the event of any budget surplus in the amount of \$50 million an additional \$7 million from that surplus shall be used for additional supplemental payments to non-state public hospitals that participate in agreements or certification to the maximum extent. It further states that for each additional \$50 million in budget surplus, an additional \$7 million would be paid to these hospitals. Article VII, Section 10(E), of the Louisiana Constitution of 1974 provides that "Balanced Budget. Appropriations by the legislature ...shall not exceed the official forecast in effect at the time the appropriations are made." An appropriation such as this seems inconsistent with the intent of this Constitutional provision. If additional revenue becomes available, it should be appropriated to address needs which exist at the time it is recognized. Further appropriation of funds

which may or may not become available can represent a hollow promise to those expecting such appropriations.

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If the surplus language is limited to the Department of Health and Hospitals and the department has a \$50 million surplus, a Mid-Year Budget Adjustment, upon approval of both the commissioner of administration and the Joint Legislative Committee on the Budget, could be processed for any additional payments to non-state public hospitals.

**VETO MESSAGE NO. 2:**

Page 125, Lines 28 through 37

This item is to increase reimbursement of uncompensated care costs for payments to LSU Health Care Services Division-Leonard J. Chabert Medical Center. This would be an increase to a hospital with a budget of approximately \$56.6 million before this amendment. The legislation creating the LSU Health Care Services Division mandates that the advisory board for each hospital undertake to assess unmet health needs within the community and make recommendations on ways to meet such needs. In addition, SR 61 of the 2002 Regular Session urges and requests the Senate Committee on Health & Welfare and the Senate Committee on Senate & Governmental Affairs to study and make recommendations relative to certain aspects of Medicaid and uncompensated care expenditures. In particular, SR 61 requires the study to include "The most efficient mix of resources that will provide the needed services to the targeted population." Until such time as that assessment has been completed, this item should not be funded.

**VETO MESSAGE NO. 3:**

Page 207, Lines 38 through 49

The purpose of this amendment is to transfer \$400,000 of the Rockefeller Wildlife Refuge Trust and Protection Fund monies to the Louisiana Fur and Alligator Advisory Council for marketing and education efforts. Per a letter dated June 13, 2002 from the regional director of the U.S. Department of the Interior's Fish and Wildlife Service, "such use of the Trust Fund would be a violation of the Deed of Donation and associated documents. The primary purpose of the Trust is to support the operations and management of the Rockefeller Wildlife Refuge....There is, however, no provision for participation in the development of commercial markets for the exchange of alligator hides." Therefore, funding this item would place the Fund and state ownership of the Rockefeller Wildlife Refuge in jeopardy.

**VETO MESSAGE NO. 4:**

Page 286, Lines 27 through 49 and Page 287, Lines 1 through 12

This section of the bill provides \$11,500,000 in general fund to provide for a \$300 per employee salary increase for school support personnel contingent on the recognition of additional revenue by the Revenue Estimating Conference. Article VII, Section 10(E), of the Louisiana Constitution of

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1974 provides that "Balanced Budget. Appropriations by the legislature... shall not exceed the official forecast in effect at the time the appropriations are made." An appropriation such as this seems inconsistent with the intent of this constitutional provision. If additional revenue becomes available it should be appropriated to address needs which exist at the time it is recognized. Further appropriation of funds which may, or may not become available can represent a hollow promise to those expecting such appropriations.

**VETO MESSAGE NO. 5:**

Page 314, Lines 39 through 40

This item provides funding for Rapides Parish Law Enforcement. This item is local in nature and any costs of its operations should be borne by the local governing authorities.

Sincerely,

M.J. "Mike" Foster, Jr.

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