

RÉSUMÉ DIGEST

HB 1

2018 Regular Session

Henry

Would have appropriated \$28.5 billion for Fiscal Year (FY) 2018-2019, of which \$8.3 billion would have been state general fund (direct) (SGF). SGF would have decreased \$414.3 million when compared to the FY 2017-2018 existing operating budget as of Dec. 1, 2017. Overall, FY 2018-2019 total General Appropriation Bill (GAB) funding would have been \$535.7 million less than FY 2017-2018.

Other means of financing for FY 2018-2019 would have included: interagency transfers at \$939.6 million, or \$32.6 million less than FY 2017-2018; fees and self-generated revenues at \$2.7 billion, or \$11.8 million more than FY 2017-2018; statutory dedications at \$2.9 billion, or \$44.4 million less than FY 2017-2018; and federal funding at \$13.7 billion, or \$56.3 million less than FY 2017-2018.

Additionally would have appropriated \$579.6 million in state general fund (direct) that was subject to approval of revenue raising measures enacted during the 2018 2nd E.S.

VETO MESSAGE: "Please be advised that I have vetoed House Bill No. 1 of the 2018 Regular Session.

I do not take this action lightly, as it has been and should be a rare occurrence for a governor to veto a bill that sets the state's operating budget for the upcoming fiscal year. However, I have stated from the time I presented the Executive Budget in January that I will not support a budget that contains the dramatic cuts that are required by the fiscal cliff facing our state. This budget contains crippling budget cuts across state government, including irresponsible reductions to Higher Education, Children and Family Services, Veterans Affairs, Corrections, law enforcement and TOPS. It would result in the closure of veterans' cemeteries, require that thousands of prisoners be furloughed, leave Louisiana as the only state in the country without a SNAP program, and require over 2000 state employees to be laid off. These are just a few of many unacceptable, and completely avoidable, effects of the budget finally passed by the Legislature. I cannot allow for it to become law. The people of Louisiana deserve better.

I do acknowledge that the Senate passed this budget to demonstrate the need to replace a portion of the revenue measures that will expire on June 30, 2018. Further, I appreciate that the Senate proved the importance of funding the needs of the Department of Health by reversing the catastrophic cuts put in place by the House when it passed House Bill 1. In closing hospitals and medical schools, eliminating funding for nursing homes, and reducing funding for substance abuse and behavioral care, the cuts imposed by the House would have devastated health care as we know it in Louisiana. However, the Senate's budget did not really restore those cuts. Instead, the Senate's action only serves as notice that the critical services needed and expected by the people of Louisiana cannot be protected with the amount of revenue currently available to our state.

In vetoing this budget, I am asking the legislature to start this upcoming special session with a commitment to funding our needs and priorities and to replace a portion of the revenue that is set to expire June 30th. We can fund these obligations and still provide for a net tax reduction to Louisiana taxpayers of approximately \$400 million next year. We should not be forced to choose between health care and higher education. We should not choose between caring for our foster children and our veterans. Instead, we should pass a real budget that appropriates the needed revenue that will be considered in this upcoming session. There is no reason why revenue measures and appropriation bills cannot be fully considered and passed in the two weeks I have set aside for this special session.

I am confident that, working together, we can get this done. When we do, we will provide for long-needed budget stability and build a better future for the great state of Louisiana."