The General Appropriation Bill (GAB) totals \$26.3 billion, of which \$7.6 billion is State General Fund (Direct), and \$11 billion is Federal Funds. State General Fund (Direct) increased \$536 million and Federal Funds decreased \$0.8 billion when compared to the FY 2010-2011 Existing Operating Budget as of December 1, 2010. Overall, FY 2011-2012 Total GAB funding is \$1.5 billion less than FY 2010-2011. The GAB also appropriates \$2.8 billion in Statutory Dedications, which is a decrease of \$0.8 billion compared to FY 2010-2011.

Effective July 1, 2011.

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 16 items of the General Appropriation Bill. I respectfully request that you deliver on my behalf the following message to the members of the Legislature:

We worked together to pass a budget for our state that serves our people well by reducing the size of government while protecting critical services in education, healthcare and public safety.

The \$25.3 billion total budget approved for the upcoming fiscal year (FY 12) reflects a reduction of \$9 billion, or 26 percent, compared to Louisiana's total budget of \$34.3 billion in January 2008.

The reduction of more than 3,500 fulltime government positions in the upcoming fiscal year, combined with 6,363 previous reductions, means a total of almost 9,900 fulltime positions reduced since the beginning of our administration, and the lowest level of fulltime state government employees in almost 20 years.

This letter is to communicate that I have vetoed items in House Bill No. 1, as follows:

<u>Veto Message No. 1</u> Page 59, lines 41-43:

This activity can be accomplished within the existing operating budget and with existing personnel. Therefore, I am vetoing this item.

Veto Message No. 2 Page 59, lines 44-48:

This would divert funding from the New Orleans Wet Lab, reducing their funding to only half a year operational expenses. This item should be funded from other sources. Therefore, I am vetoing this item.

Veto Message No. 3 Page 70, lines 28-33:

This item can be funded within the existing operating budget and with existing personnel. Therefore, I am vetoing this item.

Veto Message No. 4 Page 76, lines 21-28:

This language concerns funding by Statutory Dedication from the Overcollections Fund, however this budget unit contains no such funding. This funding was restored via other means of financing. Therefore, I am vetoing this language.

Veto Message No. 5 Page 81, lines 41-48:

This language concerns funding by Statutory Dedication from the Overcollections Fund, however this budget unit contains no such funding. This funding was restored via other means of financing. Therefore, I am vetoing this language.

<u>Veto Message No. 6</u> Page 100, lines 41-47:

This language could delay implementation of the Coordinated System of Care to provide critical services to children with behavioral health needs. Therefore, I am vetoing this language.

Veto Message No. 7 Page 116, lines 4-12:

This language could deny the Department of Health and Hospitals the flexibility it needs in implementing innovative financing strategies in the Medicaid program. Therefore, I am vetoing this language.

<u>Veto Message No. 8</u> Page 116, lines 13-16:

This action takes away the Department of Health and Hospital's flexibility to work with the Centers for Disease Control on drug utilization management based on clinical information and virology statistics. Therefore, I am vetoing this language.

<u>Veto Message No. 9</u> Page 176, lines 6-11:

This item is a contingency. 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. Therefore, I am vetoing this item.

<u>Veto Message No. 10</u> Page 176, lines 36-40:

Funding for higher education systems should be allocated according to the higher education performance formula. Therefore, I am vetoing this item.

Veto Message No. 11 Page 234, lines 10-19:

This language could cause delays to the timely delivery of instructional services such as tutoring and of instructional support activities such as transportation, food service, and custodial services. Therefore, I am vetoing this language.

Veto Message No. 12 Page 234, lines 24-26:

This item is a contingency. 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. Therefore, I am vetoing this item.

Veto Message No. 13 Page 243, lines 49-52:

Expansion of this program is not feasible at this time due to the state's current budget constraints. Therefore, I am vetoing this item.

Veto Message No. 14 Page 256, lines 20-26:

House Bill No. 516 of the 2011 Regular Session of the Louisiana Legislature was not enacted into law. Therefore, I am vetoing this item.

Veto Message No. 15 Page 259, lines 7-12:

Parents should have the flexibility to choose the best school environment to meet the specific needs of their children. Therefore, I am vetoing this item.

Veto Message No. 16 Page 259, lines 13-19:

This item is a contingency. Article III, Section 16(A), of the Louisiana Constitution of 1974 provides that "...no appropriation shall be made under the heading of contingencies ...". An appropriation such as this seems inconsistent with the intent of this constitutional provision. Therefore, I am vetoing this item.