

The FY 2013-2014 General Appropriation Bill (GAB) totals \$25.2 billion, of which \$7.8 billion is State General Fund (Direct) (SGF) and \$10.3 billion is Federal Funds. SGF increased \$43 million and Federal Funds decreased \$993 million when compared to the FY 2012-2013 Existing Operating Budget as of December 1, 2012. Overall, FY 2013-2014 Total GAB funding is \$1.4 billion less than FY 2012-2013. The GAB also appropriates \$3.3 billion in Statutory Dedications, which is an increase of \$629 million compared to FY 2012-2013.

The Preamble to the GAB directs that the commissioner of administration to make reductions of at least \$20 million in SGF from budget units within HB 1.

Effective July 1, 2013.

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

Both the House and Senate did great work on a fiscally responsible budget that is good for the people of Louisiana. The single biggest challenge facing the budget was the Medicaid rate change made by Congress last July, lowering Louisiana's FMAP rate to the lowest it's been in 25 years, with a total impact to Louisiana's healthcare budget of \$1.8 billion. Despite this challenge, the budget protects funding for healthcare. The budget also includes tens of millions of dollars more for higher education next year.

The hard work of legislators from both parties and increased revenue projections have produced a balanced budget that invests in our top priorities and protects our reforms. We've made an investment of an additional \$69 million in K-12 education, half of which will go toward teacher pay raises, and protected our historic education reforms from last session, including the Louisiana Scholarship Program and our changes to teacher tenure—all without raising taxes. We've also rejected the ObamaCare Medicaid expansion that could have cost Louisianians \$1.7 billion while moving over 240,000 of our citizens off of private insurance.

With this budget, Louisiana continues to chart a path that expands economic opportunities for our people while reducing government's footprint, not only shrinking its size and cost, but making government more effective and efficient by consolidating functions and applying smarter technologies that save taxpayer dollars.

By pursuing such initiatives, the FY 2014 Budget reflects the strategic reduction of more than 12,000 full-time executive branch positions, a number that brings the total of state government positions reduced since the beginning of our administration to over 28,000. Even before the new position reductions passed in this budget, the number of state government employees is already at its lowest level in over 20 years.

While protecting critical services and restructuring government operations, the FY 2014 Budget includes total funding of \$25.4 billion, a decrease of \$350 million, compared to the FY 2013 total existing operating budget of \$25.75 billion.

As such, the budget reflects our belief that Louisiana's future success doesn't depend on a larger government that takes more resources away from our private sector economy, nor a larger role for government in the lives of our citizens. Instead, it continues our efforts to make government nimbler, more compact, and more modernized, saving money while at the same time improving and protecting critical services.

I commend the Legislature for its work.

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

VETO MESSAGE NO. 1

On page 2, at the end of line 8, delete "or the"; on line 9, delete "Department of Wildlife and Fisheries,":

This language is unnecessary to achieve efficiencies and savings that help protect critical services such as higher education and healthcare; therefore, I am vetoing this item.

VETO MESSAGE NO. 2

On page 4, line 22, after "department.", delete the remainder of the line; delete line 23 in its entirety:

This language is unnecessary to achieve efficiencies and savings that help protect critical services such as higher education and healthcare; therefore, I am vetoing this item.

VETO MESSAGE NO. 3

On page 5, delete lines 22 through 30 in their entirety, and on page 6, delete lines 1 through 2 in their entirety:

Louisiana Revised Statutes 23:332 prohibits intentional discrimination in employment; therefore, I am vetoing this item.

VETO MESSAGE NO. 4

On page 20, delete lines 54 through 56 in their entirety:

This language is unnecessary as additional funds were provided to restore adequate funding for local emergency management programs; therefore, I am vetoing this item.

VETO MESSAGE NO. 5

On page 27, delete lines 40 through 42 in their entirety:

The additional positions and funding conflict with the effort of downsizing the state government; therefore, I am vetoing this item.

VETO MESSAGE NO. 6

On page 60, delete lines 51 and 52 in their entirety:

This activity has been adequately funded in the budget; therefore, I am vetoing this item.

VETO MESSAGE NO. 7

On page 92, delete lines 44 through 46 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 8

On page 94, delete lines 31 through 33 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 9

On page 96, delete lines 9 through 11 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 10

On page 96, delete lines 49 through 51 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 11

On page 98, delete lines 4 through 6 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 12

On page 102, delete lines 31 through 38 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 13

On page 103, delete lines 1 through 26 in their entirety:

This is a contingency. Senate Bill 125 and House Bill 233 failed to pass; therefore, I am vetoing this item.

VETO MESSAGE NO. 14

On page 103, delete lines 35 through 42 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 15

On page 104, delete lines 1 through 9 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 16

On page 106, delete lines 35 through 37 in their entirety:

There is no actual funding source to generate the funds; therefore, I am vetoing this item.

VETO MESSAGE NO. 17

On page 108, delete lines 4 through 6 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 18

On page 109, delete lines 1 through 3 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 19

On page 112, delete lines 1 through 3 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 20

On page 114, delete lines 14 through 17 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 21

On page 118, delete lines 25 through 27 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 22

On page 119, delete lines 36 through 38 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 23

On page 120, delete lines 36 through 38 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 24

On page 121, delete lines 36 through 38 in their entirety:

In light of the legislative reduction to Medicaid utilization, this program expansion cannot be funded; therefore, I am vetoing this item.

VETO MESSAGE NO. 25

On page 127, delete lines 35 through 37 in their entirety:

A separate amendment provides \$2,400,000 of State General Fund (Direct) which will maintain the FY 2012-2013 level of funding. This amendment is duplicative; therefore, I am vetoing this item.

VETO MESSAGE NO. 26

On page 129, delete lines 39 through 41 in their entirety:

This amendment would reduce funding necessary for consolidation of back office functions resulting in savings that help protect critical services such as higher education and health care; therefore, I am vetoing this item.

VETO MESSAGE NO. 27

On page 150, deletes lines 24 through 28 in their entirety:

This language is unnecessary to achieve the goals and objectives of the department's aquatic weed control initiatives in the most cost effective manner; therefore, I am vetoing this item.

VETO MESSAGE NO. 28

On page 171, line 16, after "operations.", delete the remainder of the line; delete lines 17 through 18 in their entirety.

The implementation of this amendment would limit the budgetary discretion of the Southern University Board of Supervisors; therefore, I am vetoing this item.

VETO MESSAGE NO. 29

On page 211, delete lines 49 through 51 in their entirety:

This amendment provides for a reduction in professional services contracts which would inhibit the state's ability to adequately measure student progress in elementary and secondary education as well as prevent the department from initiating contracts relating to the implementation of the Early Childhood Program as contained in Act 3 of the 2012 Regular Session. The Department, local school systems, and child care centers rely on this information to guide targeted interventions for students and professional development for educators; therefore, I am vetoing this item.

VETO MESSAGE NO. 30

On page 232, delete lines 17 through 20 in their entirety:

This amendment would reduce funding necessary to meet contractual obligations; therefore, I am vetoing this item.

VETO MESSAGE NO. 31

On page 235, delete lines 1 through 8 in their entirety:

House Bill No. 320 of the 2013 Regular Session of the Louisiana Legislature was not enacted into law; therefore, I am vetoing this item.