



EXECUTIVE DEPARTMENT

Executive Order No. BJ 2009 – 21

EXECUTIVE BRANCH - EXPENDITURE REDUCTION

- WHEREAS,** pursuant to R.S. 39:75(A)(1), the Division of Administration is directed to submit a monthly budget status report to the Joint Legislative Committee on the Budget (hereafter "Committee") indicating the balance of the budget for the State General Fund and dedicated funds by comparing the official forecast for these funds to the total authorized appropriations from each fund; once approved by the Committee, the most recent budget status report becomes the official budget status of the State;
- WHEREAS,** if the most recently approved budget status report indicates that the total appropriation from any fund will exceed the official forecast for that fund, R.S. 39:75(B) requires the Committee to immediately notify the Governor that a projected deficit exists for that fund;
- WHEREAS,** by letter dated December 18, 2009, the Committee notified the Governor that it approved a budget status report at its December 18, 2009, meeting, indicating a projected deficit of two hundred forty-seven million, nine hundred eleven thousand, nine hundred ten dollars (\$247,911,910) exists in the State General Fund for Fiscal Year 2009-2010, based on the revised official forecast of revenue available for appropriation adopted by the Revenue Estimating Conference on December 17, 2009, compared to total appropriations;
- WHEREAS,** once notified that a projected deficit exists, pursuant to Article VII, Section 10 of the Constitution of Louisiana and R.S. 39:75(C)(1)(a), the Governor has interim budget balancing powers to adjust the budget, including the authority to reduce appropriations for the Executive Branch of government for any program that is appropriated from a fund that is in a deficit posture, not exceeding three percent (3%) in the aggregate of the total appropriations for each Budget Unit for the fiscal year, and if the Governor does not make necessary adjustments in the appropriations to eliminate the projected deficit within thirty (30) days of the determination of the projected deficit in a fund, R.S. 39:75(D) mandates the Governor call a special session of the Louisiana Legislature for that purpose;
- WHEREAS,** as authorized by R.S. 39:75(C)(1)(a), I am exercising my unilateral interim budget balancing powers to reduce the projected deficit by \$247,911,910, resulting in a less than 1% reduction in the total appropriation for the State;
- WHEREAS,** the allocation of the reductions are across the board to all Budget Units within the scope of my unilateral interim budget balancing powers resulting in the lesser of either a 7.56% reduction of the State General Fund or a 3% reduction of the total appropriation for each Budget Unit; and
- WHEREAS,** as authorized by R.S. 39:75(C)(3), my Executive Order may utilize all or a portion of the General Fund dollar savings objective specified in Executive Order BJ 2009-11.
- NOW THEREFORE, I, Bobby Jindal,** Governor of the State of Louisiana, by virtue of the authority vested by the Constitution and laws of the State of Louisiana, do hereby order and direct as follows:

SECTION 1:

The following departments, agencies, and/or Budget Units (hereafter "Unit" and/or "Units") of the Executive Branch of the State of Louisiana, as described in and/or funded by appropriations through Acts 10, 40, and 122 of the 2009 Regular Session of the Louisiana Legislature (hereafter "the Acts"), shall reduce expenditure of funds appropriated to the Unit from the State General Fund by the Acts, in the amounts shown below:

Act 10 and Act 122-General Operating Appropriations Act:

	<u>State General Fund</u>
<u>Schedule 01-Executive Department</u>	\$ 7,740,854
<u>Schedule 03-Veterans Affairs</u>	\$ 637,278
<u>Schedule 04-Elected Officials</u>	
04-139 Secretary of State	\$ 1,632,209
04-141 Office of Attorney General	\$ 619,232
04-146 Lieutenant Governor	\$ 122,053
04-147 State Treasurer	\$ 46,881
04-160 Agriculture and Forestry	\$ 1,554,442
<u>Schedule 05-Economic Development</u>	\$ 1,714,480
<u>Schedule 06-Culture, Recreation and Tourism</u>	\$ 2,188,047
<u>Schedule 07-Transportation and Development</u>	\$ 132,296
<u>Schedule 08B-Public Safety Services</u>	\$ 2,740,923
<u>Schedule 09-Health and Hospitals</u>	\$108,056,551
<u>Schedule 10-Social Services</u>	\$14,129,547
<u>Schedule 11-Natural Resources</u>	\$ 375,881
<u>Schedule 12-Revenue</u>	\$ 1,060,656
<u>Schedule 13-Environmental Quality</u>	\$ 321,667
<u>Schedule 14-Workforce Commission</u>	\$ 137,514
<u>Schedule 16-Wildlife and Fisheries</u>	\$ 7,561
<u>Schedule 17-Civil Service</u>	
17-562 Ethics Administration	\$ 127,407
17-563 State Police Commission	\$ 19,671
17-564 Division of Administrative Law	\$ 29,306
<u>Schedule 19A-Higher Education</u>	\$83,961,506
<u>Schedule 19B-Special Schools and Commissions and 19D-Education</u>	\$16,077,548
<u>Schedule 19E-LA Health Care Services Division</u>	\$ 2,454,084
<u>Schedule 20-Other Requirements</u>	
20-906 District Attorneys & Assistant District Attorneys	\$ 913,868
20-909 LA Health Insurance Association	\$ 60,000
20-933 Governor's Conferences and Interstate Compacts	\$ 16,000
20-945 State Aid to Local Government Entities	\$ 1,034,447

- SECTION 2:**
- A. No later than January 8, 2010, the head of each Unit listed in Section 1 of this Order shall submit to the Commissioner of Administration (hereafter "Commissioner") a mid-year budget reduction plan, on the BA-7 form and questionnaire, which reflects the Unit's proposed allocation of the expenditure reduction ordered in Section 1 of this Order (hereafter "mid-year budget reduction plan"), and a description of the methodology used to formulate the mid-year budget reduction plan. The heads of each department shall exercise discretion to allocate the aggregate reduction within the department to maximize recurring savings to the State for future fiscal years, while remaining in compliance with R.S. 39:75(C)(1)(a) by ensuring that no reduction to any Budget Unit exceeds 3% of the total appropriation of that Budget Unit.
 - B. In the event that positions of employment will be affected by the mid-year budget reduction these positions should be included in a Unit's mid-year budget reduction plan.
 - C. No Unit shall implement the expenditure reduction mandated by Section 1 of this Order without the Commissioner's prior written approval of the Unit's mid-year budget reduction plan.
 - D. After the Commissioner has given approval of a Unit's mid-year budget reduction plan, any change to the mid-year budget reduction plan requires prior written approval from the Commissioner.

SECTION 3: The Commissioner of Administration is authorized to develop additional guidelines as necessary to facilitate the administration of this Order.

SECTION 4: All departments, commissions, boards, offices, entities, agencies, and officers of the State of Louisiana, or any political subdivision thereof, are authorized and directed to cooperate in the implementation of the provisions of this Order.

SECTION 5: This Order is effective upon signature and shall remain in effect through June 30, 2010, unless amended, modified, terminated, or rescinded prior to that date.



IN WITNESS WHEREOF, I have set my hand officially and caused to be affixed the Great Seal of Louisiana, at the Capitol, in the city of Baton Rouge, on this 22nd day of **December, 2009**.

/S/Bobby Jindal
GOVERNOR OF LOUISIANA

**ATTEST BY
THE GOVERNOR**

/S/Jay Dardenne
SECRETARY OF STATE