

Office of the Commissioner
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

FOR IMMEDIATE RELEASE

Jan. 18, 2017

CONTACT

Jacques Berry
225.342.7178
jacques.berry@la.gov

DARDENNE: FY17 DEFICIT IS \$304 MILLION

The state budget deficit for the current fiscal year has dropped to \$304 million, Commissioner of Administration Jay Dardenne announced Wednesday.

Recent developments lowering anticipated state general fund spending requirements resulted in a slight narrowing of the budget gap for the fiscal year that ends June 30, Dardenne said.

Based on a new calculation by the treasurer's office, the state will need \$9 million less for debt service payments between now and the budget year's end. That results in a deficit reduction of the same amount. Earlier, the revenue gap had been placed at \$313 million.

"It's better than our earlier number but it is still going to result in significant cuts. There's no way around a reduction in services in areas that we have always deemed critical like higher education and health care," Dardenne said. "That's where the general fund dollars are so it's difficult not to include them on the cut list."

The use of \$119 million in "rainy day" fund dollars as proposed by the administration would lessen the impact, Dardenne said, but there is no way to avoid damaging cuts in those areas with less than half of the state budget year remaining.

Last week's Revenue Estimating Conference action had placed the revenue gap at \$340 million based on updated projections of general fund anticipated to be available in the current budget year.

That number dropped to \$313 million because of a change in means of financing for public safety services, reducing state general fund and increasing fees and self-generated revenues.

– doa.louisiana.gov –