



EXECUTIVE DEPARTMENT

EXECUTIVE ORDER NO. BJ 2015 - 28

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 "the 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,** on November 20, 2015, the Committee notified the Governor that it approved a budget status report at its November 20, 2015, meeting, indicating that a projected deficit of Four Hundred Eighty-Seven Million Two Hundred Seventy-Seven Thousand Five Hundred Eighteen Dollars (\$487,277,518) exists in the State General Fund for Fiscal Year 2015-2016, based mainly on the revised official forecast of revenue available for appropriation adopted by the Revenue Estimating Conference on November 16, 2015, compared to total appropriations, and from a prior year shortfall in estimated actual revenue collections compared to estimated actual expenditures for the Fiscal Year 2014-2015;
- 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 that 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 \$263,964,722, which reductions exceed in the aggregate seven-tenths of one percent of the total of State General Fund allocations or appropriations of \$62,389,707;
- WHEREAS,** as authorized by R.S. 39:94(C)(2) and R.S. 39:87(1), I am requesting the clerk of the House of Representatives and the secretary of the Senate to prepare and transmit a ballot to each member of the legislature to approve the use of the Budget Stabilization Fund in the amount of \$28,164,341 which is less than the one-third balance of the fund at the beginning of the current fiscal year in accordance with R.S. 39:95;

WHEREAS, after utilizing those authorities, \$195,148,455 remains of the projected deficit which must be eliminated, therefore I direct the Commissioner of Administration to present to the Committee for its approval a plan to eliminate the remaining amount of the projected deficit pursuant to R. S. 39:75(C);

WHEREAS, this Executive Order and the plan to be submitted to the Committee may utilize all or a portion of the General Fund dollar savings objective specified in Executive Order BJ 2015-11.

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 16, 26, and 46 of the 2015 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, and associated positions, in the amounts shown below:

<u>Schedule 01-Executive Department</u>	<u>State General Fund</u>
01-100 Executive Office	\$ 0
01-103 Mental Health Advocacy Service	\$ 37,836
01-107 Division of Administration	\$ 1,000,000
01-112 Military Affairs	\$ 572,000
01-129 Louisiana Commission on Law Enforcement	\$ 25,000
<u>Schedule 03-Veterans Affairs</u>	
03-130 Veteran's Affairs	\$ 248,896
<u>Schedule 04-Elected Officials</u>	
04-141 Attorney General	\$ 2,416,606
<u>Schedule 09-Health and Hospitals</u>	
09-300 Jefferson Parish Human Services Authority	\$ 472,289
09-301 Florida Parishes Human Services Authority	\$ 222,668
09-302 Capital Area Human Services District	\$ 204,725
09-303 Developmental Disabilities Council	\$ 27,072
09-304 Metropolitan Human Services District	\$ 189,800
09-305 Medical Vendor Administration	\$ 353,850
09-306 Medical Vendor Payments	\$ 251,422,176
09-307 Office of the Secretary	\$ 839,000
09-309 South Central Louisiana Human Services Authority	\$ 150,000
09-310 Northeast Delta Human Services Authority	\$ 191,182
09-324 Louisiana Emergency Response Network	\$ 13,499
09-330 Office of Behavioral Health	\$ 600,000
09-340 Office of Citizens with Developmental Disabilities	\$ 496,293
09-375 Imperial Calcasieu Human Services Authority	\$ 100,000
09-376 Central Louisiana Human Services District	\$ 163,756
09-377 Northwest Louisiana Human Services District	\$ 160,000
<u>Schedule 10-Department of Children and Family Services</u>	
10-360 Office of Children and Family Services	\$ 384,674
<u>Schedule 11-Natural Resources</u>	
11-431 Office of the Secretary	\$ 14,095
11-432 Office of Conservation	\$ 115,994
11-434 Office of Mineral Resources	\$ 117,444

Schedule 13-Environmental Quality

13-850 Office of the Secretary \$ 23,035

Schedule 19-Education

19D-678 State Activities \$ 500,000

Schedule 20-Other Requirements

20-931 LED Debt Service/State Commitments \$ 2,902,832

- SECTION 2:**
- A. No later than November 23, 2015, 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.
 - B. In the event that positions of employment will be affected by the mid-year budget reduction, these positions should be included in your 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 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, 2016, 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 20th day of November, 2015.

/s/ Bobby Jindal
GOVERNOR OF LOUISIANA

ATTEST BY
THE GOVERNOR

/s/ Tom Schedler
SECRETARY OF STATE