



# State of Louisiana

Division of Administration  
Office of the Commissioner

## FOR IMMEDIATE RELEASE

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### State Announces Strategic Plan After Adjustment of Revenue Forecast

**BATON ROUGE** – Today, the Division of Administration announced the state's strategic reduction plan to protect key services after Louisiana's Revenue Estimating Conference (REC) made its revenue forecasts for Fiscal Year (FY) 14 and FY 15. The REC recognized a minor reduction of \$34.7 million for FY 14 as a result of the fluctuation in the collection of corporate taxes which typically come later than other taxes into the state treasury. As a result of the Administration's plan, there will be no cuts to the FY 14 budget. Excess Amnesty funds collected in the current fiscal year will compensate for the reduction.

Commissioner of Administration Kristy Nichols stated, "This plan compensates for REC's reduction with amnesty funds, allowing us to keep the FY14 budget whole. Although the reduction by REC is present now, most corporate tax collections typically come into the state treasury later than most other tax types. We are confident that the Louisiana economy is growing, and we believe revenue will grow with it. That's why we will present a balanced budget for FY15 that will continue to invest in higher education and K-12 and protect critical healthcare services."

The Commissioner said that in accordance with the Law, the Division will submit a BA-7 to the Joint Legislative Committee on the Budget (JLCB) reducing the Department of Health and Hospitals' budget by the exact amount of the deficit and increase their appropriation by the same amount that will be funded with the excess Amnesty revenue.

She also said that Governor Bobby Jindal issued an Executive Order establishing a hiring freeze for Executive branch agencies as a result of the reduction. The freeze allows for certain exclusions related to higher education, public safety, the Department of Wildlife and Fisheries and the Office of Juvenile Justice.