

State of Louisiana



EXECUTIVE DEPARTMENT

EXECUTIVE ORDER NUMBER JBE 2016 - 74

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 18, 2016, the Committee notified the Governor that it approved a budget status report at its November 18, 2016, meeting, indicating that a projected deficit of \$312,665,008 exists in the State General Fund for Fiscal Year 2016-2017 based on estimated actual revenues being less than estimated actual expenditures for Fiscal Year 2015-2016;
- 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 up to 5% of the State General Fund allocations or appropriations, or \$482,102,987, 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 Article VII, Section 10, of the Constitution of Louisiana, and R.S. 39:75(C)(1)(a), I am exercising my unilateral interim budget balancing powers to reduce the projected deficit by \$276,780,853;
- WHEREAS,** after utilizing my authority, \$35,884,155 remains of the projected deficit which must be eliminated, therefore I directed the Commissioner of Administration to present to the Committee for its approval a plan to further reduce the projected deficit pursuant to R. S. 39:75(C); and
- WHEREAS,** this Executive Order and the plan to be submitted to the Committee and the Legislature may utilize all or a portion of the General Fund dollar savings objective specified in Executive Order JBE 2016-03.

NOW THEREFORE, I, John Bel Edwards, 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 17 and 47 of the 2016 Regular Session of the Louisiana Legislature and Acts 14 and 16 of the 2016 Second Extraordinary 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	\$ 200,000
01-103 Mental Health Advocacy Service	\$ 50,000
01-106 Louisiana Tax Commission	\$ 50,000
01-107 Division of Administration	\$ 1,500,000

<u>Schedule 03-Veterans Affairs</u>	
03-130 Department of Veterans Affairs	\$ 275,088

<u>Schedule 08B-Public Safety and Corrections – Public Safety Services</u>	
08-419 Office of State Police	\$ 5,106,503

<u>Schedule 09-Health and Hospitals</u>	
09-300 Jefferson Parish Human Services Authority	\$ 167,319
09-301 Florida Parishes Human Services Authority	\$ 115,000
09-302 Capital Area Human Services District	\$ 700,000
09-304 Metropolitan Human Services District	\$ 787,063
09-305 Medical Vendor Administration	\$ 6,846,277
09-306 Medical Vendor Payments	\$237,963,003
09-307 Office of the Secretary	\$ 902,893
09-309 South Central Louisiana Human Services Authority	\$ 201,862
09-310 Northeast Delta Human Services Authority	\$ 50,000
09-320 Office of Aging and Adult Services	\$ 620,275
09-325 Acadiana Area Human Services District	\$ 264,325
09-326 Office of Public Health	\$ 1,108,005
09-330 Office of Behavioral Health	\$ 1,559,019
09-340 Office of Citizens with Developmental Disabilities	\$ 34,363
09-375 Imperial Calcasieu Human Services Authority	\$ 31,730
09-376 Central Louisiana Human Services District	\$ 50,000
09-377 Northwest Louisiana Human Services District	\$ 57,037

<u>Schedule 10-Department of Children and Family Services</u>	
10-360 Office of Children and Family Services	\$ 798,597

<u>Schedule 12-Revenue</u>	
12-40 Office of Revenue	\$ 2,996,640

<u>Schedule 17-Civil Service</u>	
17-562 Ethics Administration	\$ 134,312

<u>Schedule 19A-Higher Education</u>	
19A-671 Board of Regents	\$ 368,124
19A-600 Louisiana State University System	\$ 5,577,489
19A-615 Southern University System	\$ 699,715
19A-620 University of Louisiana System	\$ 3,411,230
19A-649 LA Community & Technical Colleges System	\$ 1,853,079

<u>Schedule 19D-Department of Education</u>	
19D-681 Subgrantee Assistance	\$ 1,000,000

Schedule 20-Other Requirements

20-906 District Attorneys and Assistant District Attorneys \$ 966,686

SECTION 2:

- A. No later than December 20, 2016, 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:

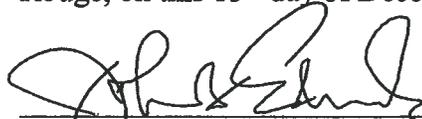
All departments, commissions, boards, offices, entities, agencies, and officers of the State of Louisiana, or any political subdivision thereof, are authorized and directed to cooperate in the implementation of the provisions of this Order.

SECTION 5:

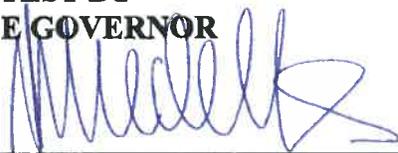
This Order is effective upon signature and shall remain in effect through June 30, 2017, unless amended, modified, terminated, or rescinded prior to that date.



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 15th day of December, 2016.


GOVERNOR OF LOUISIANA

ATTEST BY
THE GOVERNOR


SECRETARY OF STATE