

Office of the Governor
State of Louisiana

JOHN BEL EDWARDS
GOVERNOR



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June 29, 2023

VIA HAND DELIVERY

Honorable Clay J. Schexnayder
Speaker of the House
Louisiana House of Representatives
Post Office Box 94062
Baton Rouge, Louisiana 70804-9062

Honorable Patrick Page Cortez
President
Louisiana State Senate
Post Office Box 94183
Baton Rouge, Louisiana 70804

RE: Line Item Vetoes in House Bill 1 of the 2023 Regular Session

Dear Speaker Schexnayder and President Cortez:

Please allow this letter to inform you that I have signed House Bill 1 of the 2023 Regular Session. However, I have exercised my line item veto authority granted to me to veto 5 items.

I have exercised my line item veto authority as follows:

Veto No. 1: Delete Lines 41-43 on Page 42 of 175

Veto No. 2: Delete Lines 6-9 on Page 72 of 175

Veto No. 2 restores the \$100 million reduction in funding to Louisiana Department of Health (LDH) to protect against devastating programmatic cuts that would result from loss of the funding and the federal matching funds, totaling between \$400 million and \$700 million that were discussed in the Senate Committee on Health and Welfare on June 20 and that were outlined in the letter sent to me by the committee after the hearing asking that I restore the funds.

Veto No. 3: Delete Lines 19-21 on Page 85 of 175

Veto No. 4: Delete Lines 13-21 on Page 109 of 175

Veto No. 4 cuts the additional \$125 million payment to the LASERS IUAL, which was made on top of nearly \$225 million in additional payments by the state on unfunded accrued liabilities in HB 560 on top of the required annual payment, to restore the \$100

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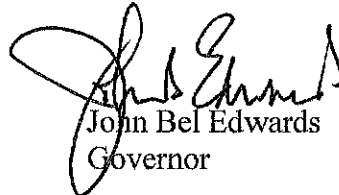
million reduction to LDH, the \$50,000 restoration in Veto No. 1 to the LED business development program, the \$2 million restoration in Veto No. 3 for outreach for the Cancer Research Center, and the \$7.5 million restoration in Veto No. 5 for early childhood education seats.

Veto No. 5: Delete Lines 1-3 on Page 137 of 175

Veto No. 5 restores a \$7.5 million dollar reduction to Department of Education for the non-federal support program that will be used for early childhood education seats.

Enclosed is a copy of the signed version of House Bill 1. I have sent the original to the Secretary of State.

Sincerely,



John Bel Edwards
Governor

enclosure

LOUISIANA STATE SENATE

Committee Members

Senator Fred H. Mills, Jr.
Chairman
Senator Regina Ashford Barrow
Vice Chair
Senator Gerald Boudreaux
Senator Gary Carter
Senator Bob Hensgens
Senator W. Jay Luneau
Senator Patrick McMath
Senator Beth Mizell
Senator J. Rogers Pope



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Committee Staff

Brandi R. Cannon
Senior Attorney
Christine Arbo Peck
Senate Counsel

Senate Committee on Health and Welfare

June 20, 2023

The Honorable John Bel Edwards
Governor of Louisiana
Office of the Governor
PO Box 94004
Baton Rouge, LA 70804

Dear Governor Edwards,

The Senate Health and Welfare Committee convened today to discuss the impact of the surprise \$100 million budget reduction to the Louisiana Department of Health in House Bill 1 of the 2023 Regular Session. This reduction was announced for the first time on the Senate floor at 5:30 p.m. on the last day of session. We learned today that this was the first time that this reduction was publically disclosed to most members of the Senate, to the department, to the public, and to your office.

The committee spent several hours hearing from Secretary Russo on the unexpected nature of this cut after nine weeks of budget hearings, the federal limitations on programs that can be cut, the impact that any cut will have on families in Louisiana, and the total funding impact that a reduction of state general fund dollars has on overall healthcare funding in this state.

While some legislators may think that the department can simply absorb a \$100 million reduction to their \$20 billion budget, the reality is that this cut will equal a \$400 million to \$700 million total reduction. The department provided a list of potential reductions made up of those very few programs and services that are considered "optional." The total impact of those reductions could be up to \$889,265,395 fewer healthcare funds in this state.

The individualized impact on thousands of Louisiana families would be severe, including the reduction of critical behavioral health services, payments to hospitals for care provided to Medicaid recipients and the uninsured, nursing home care, pediatric day health care services, graduate medical education, transition services for mentally ill patients from Central Louisiana State Hospital, mobile cancer screenings, and so much more.

The committee expressed frustration that Louisiana residents would be subject to reduction or elimination of such critical services at a time when the state has a budget surplus. Secretary Russo explained the arduous task that goes with proposing budget reductions and how there is simply nowhere to absorb an overall cut of up to \$700 million without impacting lives.

Senator Bodi White visited our committee and expressed his regret in voting for House Bill 1 in the form that is now before you. It is worth noting that the only three "no" votes in the Senate were from members of this committee; Senator Luneau, Senator Pope, and myself. However, within minutes of the session adjourning sine die, it became apparent that several Senators realized that they cast a vote that would be detrimental to their constituents.

It is worth noting that our committee was focused specifically on the impact of the budget reduction to the Louisiana Department of Health. However, several members of the committee expressed concerns about other aspects of the bill that we did not discuss. The committee specifically asked that we express overall concern with House Bill 1, not just limited to the impact on health care.

By unanimous motion of the committee, we are hereby urging you to use your powers to take any and every action available to you to stop these devastating cuts to health care in Louisiana. The members of the Senate Health and Welfare Committee stand united with you in support of any action you deem appropriate to right this wrong and shore up our health care system.

Sincerely,

A handwritten signature in blue ink, appearing to read "Fred H. Mills, Jr.", written in a cursive style.

Fred H. Mills, Jr.
Chairman