

1 many of them located in other states, and the disruption of over eighty thousand businesses
2 which generate tax revenues to state and local governments and which businesses are the
3 backbone of the economy of this state; and

4 WHEREAS, the storms have caused the loss of over one-third of the state's tax
5 revenues and severely disrupted oil and gas production in the Gulf of Mexico; and

6 WHEREAS, the Revenue Estimating Conference recently adopted an official
7 revenue forecast for the current fiscal year reflecting a nine hundred seventy million dollar
8 decrease in state general fund revenues; and

9 WHEREAS, the state's economists stated that their estimates are derived from very
10 preliminary data and that the decrease in revenues could eventually be much greater; and

11 WHEREAS, in response to the revisions to the official forecast of the Revenue
12 Estimating Conference, the Joint Legislative Committee on the Budget has certified that the
13 state has a general fund deficit in excess of nine hundred fifty-nine million dollars, which
14 deficit must be eliminated as required by the Constitution of Louisiana; and

15 WHEREAS, state government is facing massive reductions in expenditures in order
16 to deal with the budget deficit; and

17 WHEREAS, Act 26 of the 2005 Regular Session, the duly enacted Capital Outlay
18 Act for Fiscal Year 2005-2006, contains State General Fund (Direct) appropriations in the
19 amount of eleven million nine hundred ninety-two thousand five hundred dollars; and

20 WHEREAS, the governor has issued an executive order requiring state agencies to
21 reduce expenditures in all areas of state government by an amount in excess of five hundred
22 million dollars; and

23 WHEREAS, it is necessary to take aggressive action to address the financial crises
24 faced by the state.

25 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
26 direct the commissioner of administration to freeze the award of contracts for State General
27 Fund (Direct) appropriated projects contained in Act 26 of the 2005 Regular Session of the
28 Louisiana Legislature.

29 BE IT FURTHER RESOLVED that the Legislature of Louisiana does hereby direct
30 the commissioner of administration to freeze the expenditure of State General Fund (Direct)

1 appropriations which are unobligated and unexpended contained in Act 26 of the 2005
2 Regular Session of the Louisiana Legislature.

3 BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted
4 to the commissioner of administration.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Hebert

HCR No. 51

Directs the commissioner of administration to put a freeze on the award of contracts and the expenditure of State General Fund (Direct) appropriations contained in Act 26 of the 2005 R.S.