ACT No. 67

BY REPRESENTATIVES ALARIO, CROWE, DEWITT, DORSEY, GEYMANN, GREENE, HAMMETT, KATZ, LAMBERT, MARTINY, M. POWELL, SALTER, SCALISE, SMILEY, JANE SMITH, TUCKER, WADDELL, WALSWORTH, AND WHITE AND SENATORS ADLEY, AMEDEE, BARHAM, BOASSO, CAIN, CHEEK, DARDENNE, DUPLESSIS, DUPRE, ELLINGTON, FONTENOT, B. GAUTREAUX, N. GAUTREAUX, HEITMEIER, HINES, HOLLIS, KOSTELKA, LENTINI, MALONE, MICHOT, MOUNT, MURRAY, NEVERS, QUINN, ROMERO, SCHEDLER, SMITH, THEUNISSEN, AND ULLO

AN ACT

To appropriate funds and to make and otherwise provide for certain reductions in appropriations from certain sources to be allocated to designated agencies and purposes in specific amounts for the making of supplemental appropriations and reductions for said agencies and purposes for the 2005-2006 Fiscal Year; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1.A. The commissioner of administration is authorized and directed to reduce the State General Fund (Direct) appropriations contained in Act 16 of the 2005 Regular Session of the Legislature for the following agencies in the following amounts:

(1) Executive Department

01-107 Division of Administration - Executive Administration Program by $290,219.

01-112 Military Affairs - Military Affairs Program by $393,000.

01-114 Office of Women's Policy - Administrative Program by $27,073.

01-129 Louisiana Commission on Law Enforcement and the Administration of Criminal Justice - State Program by $232,303.

(2) Elected Officials

04-139 Secretary of State - Elections Program by $227,771.

04-146 Office of Lieutenant Governor - Administrative Program by $11,782.

04-147 State Treasurer - Office of Treasury by $7,124.

04-160 Department of Agriculture and Forestry by $210,098.
(3) Department of Culture, Recreation and Tourism

06- Department of Culture, Recreation and Tourism by $320,444.

(4) Department of Public Safety and Corrections

08- Corrections Services by $2,200,729 and sixty-two (62) positions.

(5) Department of Health and Hospitals

09-306 Medical Vendor Payments - Private Providers Program by $25,000,000.

09-306 Medical Vendor Payments - Private Providers Program by $350,000.

09-306 Medical Vendor Payments - Private Providers Program by $129,179.

09-306 Medical Vendor Payments - Uncompensated Care Costs Program by $7,243,165, provided, however such reduction shall not be applicable to payments to rural hospital providers.

09-326 Office of Public Health - Personal Health Services Program by $750,000.

(6) Department of Social Services


10-370 Office of Community Services - Child Welfare Services Program by $294,709.

10-374 Louisiana Rehabilitation Services - Vocational Rehabilitation Services Program by $2,177,521.

(7) Department of Natural Resources

11-431 Office of the Secretary - Management and Finance Program by $26,942 and Atchafalaya Basin Program by $42,812.

11-432 Office of Conservation by $22,052.

(8) Department of Environmental Quality


(9) Special Schools and Commissions

19-661 Louisiana Office of Student Financial Assistance - TOPS Tuition Program by $5,464,000.

19-673 New Orleans Center for Creative Arts by $500,000.

(10) Department of Education

19-681 Subgrantee Assistance by $1,000,000.

19-695 Minimum Foundation Program by $36,570,000.

19-697 Nonpublic Educational Assistance - Required Services by $802,431 and Transportation Program by $560,889.
(11) Other Requirements

20-451 Sheriffs’ Housing of State Inmates by $10,000,000.

Section 1.B. The commissioner of administration is authorized and directed to reduce the State General Fund by Fees and Self-generated Revenue appropriations contained in Act 16 of the 2005 Regular Session of the Legislature for the following agencies in the following amounts:

**Elected Officials**

04-165 Commissioner of Insurance by $1,902,005.

Section 1.C. The commissioner of administration is authorized and directed to reduce the Federal Funds appropriations contained in Act 16 of the 2005 Regular Session of the Legislature for the following agencies in the following amounts:

1. **Department of Health and Hospitals**
   - 09-306 Medical Vendor Payments - Private Providers Program by $58,612,040.
   - 09-306 Medical Vendor Payments - Uncompensated Care Costs Program by $16,732,885, provided, however such reduction shall not be applicable to payments to rural hospital providers.

2. **Department of Social Services**
   - 10-355 Office of Family Support - Client Services Program by $882,102.
   - 10-370 Office of Community Services - Child Welfare Services Program by $69,007.
   - 10-374 Louisiana Rehabilitation Services - Vocational Rehabilitation Services Program by $8,045,582.

Section 1.D. The commissioner of administration is authorized and directed to reduce the State General Fund by Statutory Dedications appropriations contained in Act 16 of the 2005 Regular Session of the Legislature for the following agencies in the following amounts:

**Elected Officials**

04-147 State Treasurer - Office of Treasury out of the Louisiana Quality Education Support Fund by $544,415.

Section 2.A. The commissioner of administration is authorized and directed to reduce the State General Fund (Direct) appropriations contained in Act 16 of the 2005 Regular Session of the Legislature for the following agencies of the state and for public and quasi-public entities or agencies other than the state, whether subject to or exempted from
Section 18(B) of that Act, which are either unexpended or unencumbered or are not required to satisfy any outstanding unsettled claims in the following amounts, provided that the commissioner is authorized to satisfy such unsettled claims from such amounts and is further authorized to reduce the amount of any reduction as provided in this Section in order to accomplish such settlement:

(1) **Executive Department**

01-100 Executive Office - Urban Affairs by $6,858,222. Provided, however, that effective on February 27, 2006, the table of organization shall be reduced in the Office of Urban Affairs by four (4) positions and the table of organization shall be reduced in the Office of Rural Development by four (4) positions.

(2) **Elected Officials**

04-141 Office of the Attorney General Provided, however, that the commissioner of administration is hereby authorized and directed to adjust the means of finance for this agency as contained in Act 16 of the 2005 Regular Session of the Legislature by reducing the appropriation out of the State General Fund (Direct) for the Legal Services Corporation by $42,560.

(3) **Other Requirements**

20-950 Residual carryforward balance from payments on judgments against the state for Fiscal Year 2004-2005 by $3,858,461.

20-XXX Rural Development Fund - State General Fund (Direct) appropriation by $4,134,788.

Section 2.B. The commissioner of administration is authorized and directed to reduce the State General Fund by Statutory Dedications appropriations contained in Act 16 of the 2005 Regular Session of the Legislature for the following agencies of the state and for public and quasi-public entities or agencies other than the state, whether subject to or exempted from Section 18(B) of that Act, which are either unexpended or unencumbered or are not required to satisfy any outstanding unsettled claims in the following amounts, provided that the commissioner is authorized to satisfy such unsettled claims from such amounts and is further authorized to reduce the amount of any reduction as provided in this Section in order to accomplish such settlement:

(1) **Elected Officials**

04-147 State Treasurer out of the Incentive Fund by $3,800,000.
(2) Higher Education

19-649 Louisiana Community and Technical College Board of Supervisors
out of the Higher Education Initiatives Fund by $190,000.

Section 2.C. The commissioner of administration is authorized and directed to
reduce the balances of the State General Fund (Direct) line item appropriations contained
in Act 16 of the 2005 Regular Session of the Legislature for the following agencies of the
state and for public and quasi-public entities or agencies other than the state, whether subject
to or exempted from Section 18(B) of that Act, which are either unexpended or
unencumbered or are not required to satisfy any outstanding unsettled claims in the
following amounts, provided that the commissioner is authorized to satisfy such unsettled
claims from such amounts, and the amount of the balances as provided in this Section may
be reduced as is necessary to accomplish such settlements:

(1) Executive Department

01-133 Elderly Affairs - $1,364,500.

(2) Elected Officials

04-146 Office of the Lieutenant Governor - $23,750.

(3) Department of Economic Development

05-252 Office of Business Development - $3,637,031.

(4) Department of Culture, Recreation and Tourism

06-264 Office of State Parks - $175,000.
06-265 Office of Cultural Development - $236,250.
06-267 Office of Tourism - $524,750.

(5) Department of Transportation and Development

07-273 Administration - $403,750.
07-276 Engineering and Operations - $323,000.

(6) Department of Public Safety and Corrections

08-420 Office of Motor Vehicles - $14,995.

(7) Department of Health and Hospitals

09-307 Office of the Secretary - $340,000.
09-326 Office of Public Health - $500,000.
09-330 Office of Mental Health - $75,000.
(8) Department of Social Services

10-370 Office of Community Services - $75,000.

(9) Department of Natural Resources

11-431 Office of the Secretary - $14,000.

(10) Department of Labor

14-474 Office of Workforce Development - $131,250.

(11) Department of Wildlife and Fisheries

16-514 Office of Fisheries - $142,500.

(12) Higher Education

19-600 Louisiana State University Board of Supervisors - $2,324,344.

19-615 Southern University Board of Supervisors - $100,000.

19-671 Board of Regents - $889,375.

19-649 Louisiana Community and Technical College Board of Supervisors - $114,000.

(13) Other Requirements

20-930 Higher Education - Debt Service and Maintenance - $150,000.

20-945 State Aid to Local Government Entities - $15,845,272.

Section 3.A. The commissioner of administration is hereby authorized and directed to adjust the means of finance for 01-112 Department of Military Affairs contained in Act 16 of the 2005 Regular Session of the Legislature by transferring $327,000 in appropriations from the State General Fund (Direct) from the Military Affairs Program to the Office of Emergency Preparedness Program. The Table of Organization for the Office of Emergency Preparedness Program is increased by forty-five (45) positions.

Section 3.B. The commissioner of administration is hereby authorized and directed to adjust the means of finance for 09-306 Medical Vendor Payments - Private Providers Program contained in Act 16 of the 2005 Regular Session of the Legislature by increasing the appropriation from State General Fund by Statutory Dedications out of the Health Excellence Fund by $350,000 and increasing the appropriations from State General Fund by Statutory Dedications out of the Louisiana Fund by $129,179.

Section 3.C. The commissioner of administration is hereby authorized and directed to adjust the means of finance for 19-661 Louisiana Office of Student Financial Assistance
contained in Act 16 of the 2005 Regular Session of the Legislature by increasing the
appropriation from State General Fund by Statutory Dedications out of the TOPS Fund by
$350,000.

Section 3.D. The sum of One Hundred Twenty-five Thousand and No/100
($125,000.00) Dollars is hereby appropriated to Schedule 12-440 Office of Revenue for
Fiscal Year 2005-2006 from the State General Fund (Direct) for the Tax Collection Program.

Section 3.E. The sum of Five Hundred Thousand and No/100 ($500,000.00) Dollars
is hereby appropriated to Schedule 19-600 Louisiana State University Board of Supervisors
for Pennington Biomedical Research Center for Fiscal Year 2005-2006 from the State
General Fund (Direct) for research and education programs on the prevention of diabetes and
for magnetic resonance technologies.

Section 4.A. The sum of One Hundred Eighty-nine Million Three Hundred Thirty-nine
Thousand and No/100 ($189,339,000.00) Dollars is hereby appropriated from
nonrecurring revenues out of the General Fund of the state of Louisiana for Fiscal Year
2004-2005 as designated by the Revenue Estimating Conference for deposit in and credit to
the Budget Stabilization Fund. Provided, that the state treasurer is authorized and directed
to promptly classify and deposit into the Budget Stabilization Fund or State General Fund
all revenues which are received as a result of the production of or exploration for minerals,
including severance taxes, royalty payments, bonus payments, or rentals as such revenues
are specified in Article VII, Section 10.3 of the Constitution of Louisiana.

Section 4.B. The sum of Seven Million Two Hundred Sixty-seven Thousand Four
Hundred Forty-six and No/100 ($7,267,446.00) Dollars is hereby appropriated from the State
General Fund by Fees and Self-generated Revenues from prior year collections of license
fees collected from the International Registration Plan pursuant to R.S. 47:511 for deposit
in and credit to the Budget Stabilization Fund.

Section 4.C. The sum of Fifty-six Thousand and No/100 ($56,000.00) Dollars is
hereby appropriated for Fiscal Year 2005-2006 from State General Fund (Direct) to 19-651
Special Schools and Commissions - Louisiana School for the Visually Impaired to be used
for operations.

Section 4.D. The sum of Two Hundred Thirty-one Thousand and No/100
($231,000.00) Dollars is hereby appropriated for Fiscal Year 2005-2006 from State General
Fund (Direct) to 19-653 Special Schools and Commissions - Louisiana School for the Deaf
to be used for operations.

Section 4.E. The sum of One Hundred Thousand and No/100 ($100,000.00) Dollars
is hereby appropriated for Fiscal Year 2005-2006 from State General Fund (Direct) to 19-681 Department of Education - Subgrantee Assistance - School and Community Support
Program for St. Mary's Residential Training School.

Section 4.F. The sum of Three Hundred Forty-one Thousand Nine Hundred Eighty-six and No/100 ($341,986.00) Dollars is hereby appropriated for Fiscal Year 2005-2006 from the State General Fund (Direct) to Schedule 01-100 Executive Office for the Louisiana Indigent Defense Assistance Board for restoration of services.

Section 5. The sum of One Million Two Hundred Forty-seven Thousand Three Hundred Nineteen and No/100 ($1,247,319.00) Dollars is hereby appropriated from the State General Fund by Interagency Transfers, be it more or less estimated, to 20-XXX FUNDS for deposit into the Rural Development Fund. Provided, however the amount of such appropriation shall be limited to the extent that the Federal Emergency Management Agency reimburses the Office of Emergency Preparedness for costs incurred by the Office of Rural Development.

Notwithstanding any provision of law to the contrary, the commissioner of administration is hereby authorized and directed to reduce the State General Fund (Direct) appropriated to the Rural Development Fund for Fiscal Year 2005-2006 by $1,247,319, be it more or less estimated, to the extent the Federal Emergency Management Agency reimburses Office of Emergency Preparedness for costs incurred by the Office of Rural Development.

Section 6. (A) The limitation of the expenditure of funds by the various agencies in the executive branch of government (the "spending freeze") contained in Executive Order No. KBB 2005-38 and the reduction of expenditures contained in Executive Order No. KBB 2005-82 made pursuant to the provisions of Article IV, Section 5(G)(2) of the Constitution of Louisiana and Section 10 of Act 16 of the 2005 Regular Session of the Legislature are hereby ratified and confirmed.

(B) Provided, however, that with regard to the "spending freeze" and the reduction of expenditures, as well as the establishment of the technical division of the Louisiana
Community and Technical College System pursuant to Act No. 506 of the 2005 Regular Session of the Legislature, the Board of Supervisors of the Community and Technical College System shall report on its plan for the technical division to the Joint Legislative Committee on the Budget no later than March 1, 2006. Provided, further, that the Louisiana Technical College, pursuant to the aforementioned "spending freeze" and reduction of expenditures, shall prioritize its necessary budget adjustments so that initial reductions are applied to the greatest extent possible to the following administrative components: the Louisiana Technical College Central Office; the Louisiana Technical College college-wide budget, including but not limited to assessments charged by the Louisiana Community and Technical College System; Management Information System/PeopleSoft Implementation; and the Louisiana Technical College District Offices. Provided, further, that on a quarterly basis, the Louisiana Community and Technical College Board of Supervisors shall submit to the Joint Legislative Committee on the Budget a quarterly expense report for the technical division, indicating both quarterly and year-to-date budgeted and actual educational and general expenditures, beginning March 15, 2006.

Section 7. Notwithstanding any provision of law to the contrary, the state treasurer is hereby authorized and directed to transfer to the State General Fund (Direct) the amounts of any reduction in State General Fund by Fees and Self-generated Revenues, Statutory Dedications, or Interagency Transfers reduced as provided in this Act and by Executive Orders KBB 2005-38 and 2005-82.

Section 8. The legislature hereby recognizes the intention of the House of Representatives thereof as represented by the Honorable Joe R. Salter, Speaker, to reduce its expenditures during Fiscal Year 2005-2006 so as to produce a savings to the state of Louisiana of one million dollars.

Section 9. The legislature hereby recognizes the intention of the Judicial Branch as represented by the Honorable Catherine D. Kimball, Justice of the Supreme Court, to reduce the expenses of the judiciary during Fiscal Year 2005-2006 so as to produce a savings to the state of Louisiana of one million nine hundred thousand dollars.

Section 10. It is the intent of the legislature to express its support of the state's efforts to provide health care services to the medically indigent and uninsured, especially those individuals personally impacted by Hurricanes Katrina and Rita. Therefore, the legislature
hereby directs the Louisiana State University Health Care Services Division, Louisiana State
University Health Sciences Center – Shreveport and E.A. Conway Medical Center, working
in conjunction with the Department of Health and Hospitals, to review options available to
the state to maximize financing for the provision of health care services to these individuals
and long-term stability of the state's public hospital system. Specifically, the agencies are
to consider the possibility of the certification of allowable uncompensated care costs that are
eligible for federal financial participation under Title XIX of the Social Security Act and
access to the federal uncompensated care pool that may be used to reimburse providers for
the costs of delivering health care services to uninsured hurricane evacuees.

Section 11. In the event the federal government increases some component of the
federal financial participation in Louisiana's Medicaid program to one hundred (100) percent
for at least some part of Fiscal Year 2005-2006, the Department of Health and Hospitals is
hereby directed to restore reductions in Medicaid reimbursement methodologies
implemented in response to decreases in the budget for 09-306 Medical Vendor Payments
made pursuant to this Act or Executive Order No. KBB 2005-82. To the extent feasible and
allowable by the federal Centers for Medicare and Medicaid Services, these restorations
shall be retroactive to day of implementation.

Section 12. The commissioner of administration is hereby authorized and directed
to reduce the State General Fund (Direct) appropriations contained in Act 16 of the 2005
Regular Session of the Legislature, Section 18, SCHEDULE 20 OTHER REQUIREMENTS,
20-906 DISTRICT ATTORNEYS AND ASSISTANT DISTRICT ATTORNEYS by the
amount of Seven Hundred Ninety-one Thousand Eight Hundred Twenty-one and No/100
($791,821.00) Dollars.

Section 13. Section 10.A. of Act 16 of the 2005 Regular Session of the Legislature
is hereby amended and reenacted to read as follows:

Section 10.A. Pursuant to Article IV, Section 5(G)(2) and Article VII, Section
10(F) of the constitution, if at any time during Fiscal Year 2005-2006 the official budget
status report indicates that appropriations will exceed the official revenue forecast, the
governor shall have full power to reduce appropriations in accordance with R.S. 39:75.

with respect to the appropriation for 19-649 LOUISIANA COMMUNITY AND
Section 15. The provisions of Sections 1 through 12, 14, and 15 of this Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, Sections 1 through 12, 14, and 15 of this Act shall become effective on the day following such approval. The provisions of Section 13 of this Act shall become effective on January 1, 2006. If vetoed by the governor and subsequently approved by the legislature, Section 13 of this Act shall become effective on January 1, 2006.