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GOVERNOR



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OFFICE OF THE GOVERNOR

July 2, 2010

The Honorable Glenn Koepp
Secretary of the Senate
State Capitol
Baton Rouge, Louisiana 70804

Re: Senate Bill No. 584 by Senator Peterson

Dear Mr. Koepp:

Senate Bill No. 584 opens the door to future state funding of construction and renovation of local public school facilities and could result in an unfunded mandate to the Department of Education to establish and staff the authority within the agency.

This would represent a fundamental shift in the planning and financing of school facilities, having traditionally been a local responsibility driven by the needs and wishes of citizens in each school district. Funding for such projects is provided through the approval of local financing measures and discretionary monies received through the state's Minimum Foundation Program. School systems also have access to more than \$244 million in qualified school construction bonds from the U.S. Treasury to finance the construction, rehabilitation, and repair of public school facilities at a lower cost of financing. Furthermore, as public entities, school districts may submit funding requests through the state's capital outlay program. Creating a separate capital funding mechanism outside of the capital outlay system would not allow for consideration of all the needs of the state and the setting of priorities based on those needs.

The state currently has unmet obligations such as the unfunded accrued liability of the statewide retirement systems, the backlog of deferred maintenance on roads, and a significant backlog in deferred maintenance on state buildings. The Department of Education also has limited financial and human resources to establish and provide staff support to a new entity without diverting resources from away other priority initiatives aimed at improving student achievement.

For these reasons, I have vetoed Senate Bill No. 584 and hereby return it to the Senate. Please note that I have vetoed similar legislation in previous years for similar reasons.

Sincerely,



Bobby Jindal
Governor