

State of Louisiana



BOBBY JINDAL
GOVERNOR

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OFFICE OF THE GOVERNOR

June 20, 2014

The Honorable Alfred Speer
Clerk of the House of Representatives
State Capitol
Baton Rouge, LA 70802

Re: House Bill No. 142 by Representative Jerome Richard

Dear Mr. Speer:

House Bill No. 142 could hinder the state's efforts to continue to provide its citizens with timely, high quality services. Its arbitrary and burdensome process could cause significant delays and introduce uncertainty to executing a contract, which would make contracting with the state difficult and discourage businesses from seeking opportunities to provide services to the people of Louisiana.

In addition, the obligation for many of the services that the state provides does not disappear if the contract for such a service is eliminated. In order to fully fund these critical services, we have strategically slimmed down the state's contracts by more than \$730 million since 2008 and by \$126 million between FY14 and FY15, the latter including a \$14.7 million reduction in state general fund contracts. Only a few agencies, such as Department of Health and Hospitals, Department of Corrections, and Department of Children and Family Services, receive the majority of state general fund dollars. The bill unduly requires reductions in these agencies that provide some of our most critical services.

However, I agree with the intent of the legislation, which is why in FY15 Louisiana's public higher education institutions will see an across the board increase in funds of \$148.3 million, which is a 6.91 percent increase over last year and brings higher education to a total funding level of \$2.3 billion. But the fundamental flaws and unintended consequences of the legislation are too serious and for this reason, I have vetoed House Bill No. 142 and hereby return it to the House of Representatives.

Sincerely,

Bobby Jindal
Governor

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House of Representatives
Clerk's Office