

**LOUISIANA  
REPUBLICAN  
LEGISLATIVE DELEGATION**

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[www.lrlld.louisiana.gov](http://www.lrlld.louisiana.gov)

CONTACT: Senator Tom Schedler  
Representative Jim Tucker  
225.342.6287

### **Standing Up for Louisiana's Families, Louisiana's Future**

The Governor's budget is on course to break the record for new spending on recurring items. It is a budget that will break the constitutionally set spending CAP, approved by the voters of Louisiana in 1992. The CAP is not a suggestion; it is a constitutional safeguard and guarantee to the taxpayers of Louisiana that we will not create a government we cannot afford. It is a binding contract with Louisiana's families, for Louisiana's future.

The Governor has a bloated budget that will turn a budget surplus into a fiscal crisis in subsequent years.

Last night, Republican House members voted to stop the madness. After several weeks of attempting to negotiate a compromise on the budget picture, it became evident that the Administration is unwilling to reduce increases in proposed enhancements to a level Republicans believe is reasonable. It is obvious that the Administration's intent is to spend every penny available and leave a budgetary crisis to the next administration when recovery related revenues begin to dissipate.

We strongly disagree with this course of action and so do the people of this State. In a poll done by Public Opinion Strategies group, 61% of voters surveyed supported the Republican position. Therefore, the House delegation is reiterating its position that forecasted revenues in the 06-07 fiscal year should wait to be spent until they are deemed surplus by the Revenue Estimating Conference in November. Republicans will move to amend HCR 10 to change the increase in the expenditure limit from \$1,878,637,947 to \$827,000,000--the amount of the surplus from 05-06. Failure to reduce the expenditure limit may force us to vote "NO" on the entire expenditure limit.

Republicans are committed to budgetary and fiscal discipline. Under no circumstance should we mortgage our children's future with unbridled spending. NEW recurring expenditures are out of control. We call on the Governor and the Administration to work to reduce recurring expenditures to \$850 million in the Senate.

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# Louisiana Republican Legislative Delegation's Budget Plan

## Proposal

Revenues available	
	<u>Billions</u>
Surplus from FY06	0.827
Current Year Available	1.340
Steel Mill Fund	0.300
New Revenue for FY08	<u>1.250</u>
	<u>3.717</u>

### For Fiscal Year 07-08: New recurring expenditures

Millions

450 Pay raises for state employees, law enforcement, teachers, etc.

400 General growth in the state budget

850

### RECAP

	<u>Billions</u>	
Total new available revenue	3.717	Proposed expenditures for infrastructure and one-time purposes
Less new expenditures	-0.850	<u>Millions</u>
<b>Less tax cuts</b>		200 UAL
Stelly	-0.138	600 Roads
Insurance	-0.185	250 Coastal
Business		75 Ports
Utilities	<u>-0.075</u>	175 K-12 Education
	-0.398	300 Health Care
	<u>-0.398</u>	100 Higher Ed
Amount available for expenditures on infrastructure and other non-recurring purposes	2.469	500 Road Home
		<u>250 I-49 North</u>
		2,450