

July 12, 2006

Mr. Alfred W. Speer
Clerk of the House of Representatives
State Capitol
Baton Rouge, Louisiana 70804

Mr. Glenn Koepp
Secretary of the Senate
State Capitol
Baton Rouge, Louisiana 70804

RE: House Bill No. 1 of the 2006 Regular Session of the Legislature
An Act making appropriations for the ordinary expenses of the executive branch of state government, pensions, public schools, public roads, public charities, and state institutions and providing with respect to the expenditure of said appropriations.

Dear Gentlemen:

As authorized by Article III, Section 18(B), and more particularly, Article IV, Section 5(G)(1) of the Constitution of Louisiana, I have exercised my right to veto seven items or provisions of the General Appropriation Bill.

VETO MESSAGE NO. 1:

Page 15, Lines 5-6:

This amendment provides \$300,000 State General Fund to CARE Unlimited, Inc. There is conflicting information as to the exact nature of the services provided by this organization. Further, state law requires the annual submission of a sworn financial statement to the Legislative Auditor. The last report filed by CARE Unlimited was for Fiscal Year ending June 30, 2002, despite the fact that the organization received funding in Fiscal Year 2005. In that report, the independent auditor found significant deficiencies in the internal controls of the organization. Since no report has been filed since the March 3, 2003, for Fiscal Year ending 6/30/02, it is not possible to determine whether these deficiencies have been corrected. Therefore, I am vetoing this appropriation.

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VETO MESSAGE NO. 2:

Page 57, Lines 35-36

This amendment provides that \$100,000 State General Fund shall be appropriated to Forever Our Children. This entity is an after school tutorial program located in the New Orleans area. However, funding was placed in the Office of State Parks which is not in a position to adequately monitor an after school tutorial program. For this reason, I am vetoing this appropriation.

VETO MESSAGE NO. 3:

Page 61, Lines 16-18

This amendment provides that \$10,000 State General Fund shall be appropriated to the Northeast Louisiana Riding Club for bleachers. Since this club does not have any permanent facility under its control or for the construction of bleachers and without such an arrangement, the state cannot guarantee that this appropriation would not become an unconstitutional donation. Therefore, I am vetoing this appropriation.

VETO MESSAGE NO. 4:

Page 134, Lines 46-47

This amendment provides \$150,000 to Orleans Metro Housing. This organization's focus is rehabilitating housing, improving public facilities and revitalizing local economic conditions. The financial statements indicate virtually all of the organization's funding comes from grants from the state. The majority of the funding is expended on salaries and operating expenses, not the programmatic focus of the organization. Therefore, I am vetoing this appropriation.

VETO MESSAGE NO. 5:

Page 171, Lines 10 through 13

This amendment provides \$265,700 payable out of Interagency Transfers for operating expenses and four (4) positions to the Division of Administrative Law (DAL). However, the amendment does not have a valid revenue source since subsequent funding was not provided to state agencies for transfer to the DAL to cover these expenditures. Therefore, I am vetoing this appropriation.

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VETO MESSAGE NO. 6:

Page 232, Lines 19 through 22

This amendment provides that \$1,883,294 from the Education Excellence Fund shall be appropriated solely to charter schools. This amendment does not contemplate any distribution to School Districts. Distribution, as currently proposed by the amendment, would be in conflict with Article VII, Section 10.8(C)(3) of the Constitution of Louisiana, which specifies the distribution of the Education Excellence Fund. The funding increase from the Education Excellence Fund provided by the amendment can be processed, with the correct distribution, as a mid-year budget adjustment. For the above reasons, I am vetoing this appropriation.

VETO MESSAGE NO. 7:

Page 254, Lines 15 through 24

This amendment provides that \$250,000 from the St. Landry Parish Excellence Fund shall be deposited into that fund for the planning and design of a multi-purpose facility for scholastic and extracurricular activities. This appropriation is duplicated on Page 231, Lines 1 through 10 in the Department of Education - Subgrantee Assistance (Schedule 19-681). As this is an education issue and the Department of Education can provide the necessary oversight, I have chosen to veto the duplicate appropriation located in schedule 20.

Sincerely,

Kathleen Babineaux Blanco
Governor

jw