



## LOUISIANA LEGISLATURE

August 9, 2024

### **STATEMENT FROM PRESIDENT HENRY/SPEAKER DEVILLIER ON PROJECTED BUDGET**

BATON ROUGE, LA – After adjourning a meeting of the Joint Budget Committee, Senate President Cameron Henry and Speaker of the House Phillip DeVillier say they’ll be working together in the interim to address the initial budget forecast.

The legislature’s leadership emphasized that today’s presentation is an initial estimate and a represents a projected continuation budget for FY 25-26. The \$340 million gap shared with the committee is significantly less than earlier this year and could continue to shrink.

“The House and Senate will be working collaboratively and looking at all the factors that impact the state’s budget,” said Speaker DeVillier. “We’ve been anticipating the gap from the sunset of the .45% temporary sales tax as well as the movement of the vehicle sales tax dollars into a savings account for transportation and a 2% tax exemption on business utilities. But we have options that can be considered that will balance the budget including finding efficiencies in government and creating a more predictable tax structure for the state.”

“It’s important to know the cause and effect of our budget decisions,” said President Henry. “The budget is looking better and we have time for both chambers to look for solutions to close any gap for next year,” said President Henry. “We’ll obviously focus on our priorities as we craft the budget and continue to watch the forecast models to inform that work. This is just the beginning.”

The Division of Administration testified that the \$340 million shortfall does not include \$248 million in additional dollars for educational initiatives provided last year including teacher and support personnel pay stipends, differentiated compensation, tutoring services, apprenticeships and internships. Legislators say those items will factor into budget discussions moving forward.

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