



Budget deficit looks to be Jindal's first big test as governor

By: Caroline Moses

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BATON ROUGE, LA (WAFB) - Government watchdog groups and some state employees are predicting cuts and layoffs after news of a \$341 million budget deficit for the current fiscal year in Louisiana.

Former Governor Buddy Roemer was the last to face similar financial strains. Both he and the Public Affairs Research Council say this will be Governor Jindal's biggest test yet. State economists say revenues are about \$341 million worse than they first thought. Now, state workers and state watchers expect downsizing similar to what many companies across the country are facing.

"This legislature and governor came in with a pledge of cutting state government. That didn't happen. If anything, there are more state employees now than there were a year ago," says Jim Brandt with the Public Affairs Research Council. He says that has to quickly change since the governor has only 30 days from Friday to re-balance the budget. "I think the usual suspects will be on the chopping block. Those are primarily higher education and healthcare," he adds. Those are the only two departments not protected in the state constitution or by the legislature.

"The budget is frozen in too many ways and a good governor cannot make good decisions under that basis," says Roemer. However, Governor Jindal can cut up to 3% of all other budget areas and with legislative approval, he can cut more than that. "Programs in the planning stages or in pipeline will probably end right there. In other words, if not up and running, the chances of anything new are very remote. We're sort of going through that boom and bust cycle that Louisiana has had too many of in the past," Brandt says.

The latest so-called bust was in 1988, when Buddy Roemer first took office. He had to balance a \$1 billion deficit. "It's going to be difficult, but where there's a will there's a way. The state is healthier now than was then and I expect Jindal to handle the job well," the former governor says. Roemer says like his own situation, some must inevitably leave disappointed. "I know I manage to make everybody mad, so he'll do a better job than I did," he says.

Friday, the joint legislative committee on the budget meets to approve the new revenue estimates. Then, the Jindal administration's official cut countdown begins. Commissioner of Administration Angele Davis says they've already been researching for a month where to make cuts.