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SENATE FINANCE COMMITTEE APPROVES STATE BUDGET PLAN

*Committee advances HB1, balancing for reduced revenue forecast;
sends state construction budget, funding bills to the full Senate*

BATON ROUGE, LA – The state Senate Finance Committee today approved changes to the House’s proposed \$47 billion state budget, after the Revenue Estimating Conference earlier this month forecast the state would bring in \$104 million less than expected next year. In its amended form, HB1 now balances the budget within the new revenue forecast, while continuing to prioritize paying down debt, improving our state’s roads, supporting Louisiana students, and attracting new industries with higher-paying jobs to Louisiana – all without raising taxes.

“We are working to adjust and calm state agencies’ budget growth, being careful to rein in future costs, so that we can stay within a standstill budget” said **Senate Finance Committee Chairman Glen Womack (R)-Harrisonburg**. “There is some really good legislation out there that we are simply having to delay for now, due to financial constraints.”

“When the Revenue Estimating Conference tells us we are \$113 million short in revenue for the current year ending June 30, 2026 and we have \$104 million less in expected revenue next year, we have to press pause on expanding programs or starting up new programs for now, said **Senate President Cameron Henry (R)-Metairie**. “That’s the responsible thing that our constituents sent us here to do.”

Senate Finance Committee members approved investing nearly \$500 million in highway priority programs, road repairs, box culverts and DOTD district maintenance and repairs around the state.

Additional key investments in the updated budget plan for next year include:

- \$420 million in funding for early childhood education
- Fully funding the K-12 education funding formula (MFP)

- \$33 million to fund rate increases for Medicaid Home and Community-based services for disabled individuals.
- \$90 million in funding to Louisiana Economic Development (LED) for programs attracting private industry investment, including investments in the Site Improvement Fund, research parks and economic development projects statewide.
- \$144 million surplus payment to LASERS to pay down state retirement debt

In addition to HB1, Senate Finance Committee today also advanced the state Capital Outlay bill (HB2), which funds next year's state construction budget. Both bills build on the fiscally responsible foundation of tax reforms passed in the first two years of this 2024-2028 legislature's term.

"I believe the amendments we added to the Capital Outlay bill in Revenue and Fiscal Affairs Committee help districts all around this state, and give senators a chance to address important community needs in their area," said **Revenue and Fiscal Affairs Committee Chairman Franklin Foil, (R)-Baton Rouge**.

Up next, the full Senate will take up HB1, HB2, and other funding bills voted out of Senate Finance today, to determine the final pieces of the state's budget plan. Both the full House and Senate chambers must agree on a final version of these funding bills in the waning days of the 2026 Regular Legislative Session. The session must end by 6:00pm, Monday, June 1st.

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