



JOHN J. CARONA  
STATE SENATOR

CHAIRMAN  
TRANSPORTATION & HOMELAND SECURITY

**COPY**

April 12, 2010

COMMITTEES:  
CRIMINAL JUSTICE  
JURISPRUDENCE  
STATE AFFAIRS

The Honorable David Dewhurst, Joint-Chair  
The Honorable Joe Straus III, Joint-Chair  
Members  
Legislative Budget Board  
PO Box 12666  
Austin, TX 78711-2666

Dear Governor Dewhurst, Speaker Straus and Members:

I support the efforts of our state leaders in requesting that all state agencies submit plans to reduce their budgets by five percent in order to help reduce the projected state budget deficit. However, I am concerned about potential reductions in the health benefits of our state employees and retirees.

It is my understanding that the five percent reduction in the Employees Retirement System (ERS) health plan would result in about \$105 million in savings to the state. In this economy, I do not support this reduction as it would place an additional burden on thousands of Texas families, many of whom are struggling just to get by. Therefore, I request that the Legislative Budget Board exempt the health benefits of state employees and retirees from the five percent reduction.

In addition, I support the release of funds by the Legislative Budget Board to cover the projected deficit in the state employee/retiree health plan for the next fiscal year. Covering the health benefits of our retirees who served the state faithfully is a commitment I believe we should keep.

I appreciate your consideration of my views as you make these important decisions. Please do not hesitate to contact me if you have any questions.

Sincerely,

John J. Carona

cc: Mr. John S. O'Brien, Director  
Legislative Budget Board