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Livingston Parish News

Mixed spending legacy of a governor and legislature

Rejoice. The Louisiana Legislature has adjourned for another year (if we're lucky), and life, liberty and property have remained intact despite the usual inroads of government. Here's a brief summary of our impressions, including some highlights and some lowlights:

- The big bopper of the session was the \$29.7 billion record state budget itself, an orgy of spending that in the end had Gov. Blanco, the tax and spender herself, admonishing legislators that "Mama" might take away some pet projects with her veto pen. Legislators passed perhaps as much as \$150 million more in tax breaks than the governor and her staff said they would allow, so her veto pen will likely go to work in the days following the session. But its impact will be minor compared to the major boon to the Louisiana economy the record state spending level will bring.
- Chief among the beneficiaries of Blanco's final budget will almost certainly be the Baton Rouge area, including especially Livingston Parish where teachers and state employees make up a substantial portion of the workforce. They are all in for a raise, a raise that will likely be spent into the retail economy in huge percentages. The consumption function of teachers and government employees is very high per dollar of additional income. Expect the Baton Rouge metropolitan area, and especially Livingston Parish, to boom for the next five years on the strength of this huge injection of additional spending money into the nine-parish economy.
- The flip side of those teacher and state employee pay raises (see, we said there were lowlights) is that they preempted efforts to increase the percentage of state spending on roads. There is a huge backlog of approved state road projects that will remain unfunded despite the record state budget because the Blanco administration consciously put a higher priority on salaries. The governor was determined to use the unique opportunity high state revenues gave her to become the very first to preside over a budget that raised Louisiana teacher pay to the regional average. The fact that this imaginary figure may become once again beyond the reach of Louisiana within days after the Legislature adjourns takes nothing away from Blanco's right to claim the accomplishment. But it was at the expense of better roads.
- Note: It should be constantly remembered by attentive Louisiana citizens that the "backlog" of road projects at DOTD developed largely because Mike Foster committed the state to the I-49 extension from Lafayette to New Orleans through

his home town. That project has preempted hundreds of others and shoved them back on a waiting list despite a demonstrably higher need than I-49.

- The Ethics package pushed by the Baton Rouge Area Chamber of Commerce and other allies met with mixed success. Chief among the measures passing was the provision for a full-time ethics administrator to replace the part-time arrangement with attorney Gray Sexton, who has held the position as a contract attorney since the original legislation setting up the ethics board in the mid 1970s. The big loser was the real guts of the package, the financial disclosure requirements for elected public officials. Financial disclosure of elected officials is one of the highest rated items on the agendas of industrial location rating services. For better or worse, a majority of states have followed the lead of the federal government and require most, if not all, elected officials to fill out forms giving at least some idea of their economic interests. A bill to do just that passed both the House and Senate in different versions, but a conference committee report that applied the disclosure law only to legislators and not to local elected officials died after prolonged debate. A whole lot of legislators breathed a sigh of relief on this one, but it will be back next year and some version will pass.
- A tip of ye ole Ways and Means cap to House Speaker Joe Salter from Many who sagaciously refused to bring up for debate on the House floor SB 14 by Doc "Ethanol" Hines that would have stripped state Treasurer John Kennedy of much of his powers over distribution of state debt through his chairmanship of the Bond Commission. Kennedy rallied his followers to lobby House members after the bill had passed through the Senate and a House committee, but Salter could have forced a vote on the House floor. With the wisdom of Solomon, the Speaker decided simply to let the matter die rather than put a huge number of his fellow legislators on a serious hot seat. The understated Salter was a surprise choice by Blanco as Speaker four years ago, but proved himself to be more than worthy of the leadership position during his tenure.
- And finally, if you're looking for a boondoggle that actually passed, look no farther than the cool one billion buckaroos the state of Louisiana has agreed to pony up into the New Orleans "Road Home Program" to make up for an alleged "shortfall" of federal funds. This gratuity to the Black Legislative Caucus reeks of the potential for corruption. "Shortfall" for what? If this is all the Louisiana Legislature can do to "rebuild" New Orleans, they could have done us all a lot more good spending the billion in Many. I'm sure Rep. Salter would agree.

(Jeff David)