

July 1, 2007
The Advocate

Session had highs and lows

The state Legislature sent 435 bills to Gov. Kathleen Blanco's desk covering everything from the budget to exempting fees for disabled hunters.

According to preliminary counts by the Louisiana News Bureau Inc., a private company that tracks legislation, 290 bills originating in the House won final legislative approval during the two-month regular session as did 145 Senate bills.

Blanco had signed 207 measures into law as of Saturday.

Lawmakers cast 86 votes on 10 of the issues that local legislators said were among the most important tackled — or at least the most interesting.

Starting April 30 and ending Thursday, the 2007 convening of the Louisiana Legislature marked the last scheduled legislative session for Blanco and for 42 percent of the 144-member lawmaking body. Under a constitutional provision approved by Louisiana voters in 1995, 15 senators and 45 representatives become members of the first class forced out of office by term limits.

Their last session was one in which the state continued trying to come to terms with the damage caused by the 2005 hurricanes Katrina and Rita.

The Legislature wrestled with a larger-than-expected pot of money, much of it produced by sales taxes on purchases made by people recovering from the storms.

Lawmakers approved the largest budget in state history — nearly \$30 billion — and spent another \$2.8 billion in unexpected cash left over from last year and this year.

They banned cockfighting next year, which would make Louisiana the last state to outlaw the contests, and increased the minimum liability limits for automobile insurance, which could increase prices by as much as 30 percent for an estimated 40,000 drivers.

They refused to prohibit feeding alligators in the wild and refused to allow bar owners to have Texas Hold'em poker tournaments.

And in a complex parliamentary move, legislators killed an ethics bill that most said they supported: a requirement that they publicly disclose the sources of income and debts. Thirty states require their elected officials to report personal financial information on some level.

But it was the spending plan for the next 12 months — a fiscal year that begins today — that dominated the session.

Blanco and her supporters in the Legislature, largely Democrats, wanted to spend the money, earmarking for pay raises for government employees including school teachers, whose pay was brought up to the Southern regional average.

She also won spending for coastal restoration, health care programs, hospitals. Blanco likewise won approval to set aside tax dollars to give private businesses, including insurance companies, willing to operate in the state.

Opponents of the governor's plans, largely Republicans, noted that the economy that produced this year's riches was fleeting and that the state should focus more on one-time expenditures rather than saddle the state budget in years to come, when the economy may not be able to provide dollars necessary to fulfill the promises made this session.

The GOP members also sought to return much of the money through tax breaks.

While opponents had too few members to stop Blanco's plans, they could muster enough "no" votes on measures requiring two-thirds support and force her lieutenants to negotiate. The legal mechanisms necessary to spend the additional cash require two-thirds approval of the Legislature.

Much of the session was spent in negotiations about how much and how fast the state should overhaul the so-called "Stelly Plan" approved by voters in 2002.

Under Stelly, taxpayers could not claim on their state tax returns many of the deductions that lowered taxes on federal returns, such as, mortgage interest, charitable contributions and certain medical costs. But the plan also lowered sales taxes on a variety of essentials.

The deal struck in the final days of the legislative session would reinstate during future years the ability to deduct certain expenses from tax returns.

Beginning on the 2007 tax returns due in 2008, taxpayers would be allowed to claim 57.5 percent of the deductions for home mortgage interest, charitable contributions and certain medical costs.

The figure would rise to 65 percent for 2008 and by 2010 return to the full 100 percent of the deductions allowed before the Stelly plan.

(Mark Ballard)