



# **2008 Regular Session of the Louisiana Legislature**

*Louisiana House of Representatives  
Prepared by HLS staff, July 2008*

# State Budget, 2008-09



## \$29.9 Billion state operating budget

\$ \$15 Billion federal dollars

\$ \$9.1 Billion in State General Fund (SGF)

\$ Replaces \$420 million one-time funding in DHH with recurring SGF

\$ Provides Higher Education with \$61 million increase in SGF

\$ Provides \$90 million in normal growth for the the Minimum Foundation Program (MFP)

\$ Provides \$6.5 million for 50 additional State Police troopers

\$ Provides \$3.9 million school salary supplement for:

\$ Speech-language pathologists

\$ Audiologists

\$ Social workers

## \$4.7 Billion state construction budget

# Supplemental Appropriations



## Revenues:

- \$ \$793 million in new State General Fund revenues recognized since start of the year
- \$ \$1 billion State General Fund surplus from FY 06-07

## Expenditures:

- \$ \$414 million for roads
- \$ \$302 million for coastal restoration and protection
- \$ \$127 million for economic development
- \$ \$87 million for ports
- \$ \$75 million for major repairs at state colleges & universities
- \$ \$60 million for payments on the unfunded accrued liability (UAL) of LASERS and Teachers retirement

# Workforce Development

- ❖ Transforms the Dept. of Labor into the Louisiana Workforce Commission
- ❖ Creates the Workforce Investment Council as the state workforce investment board
  - Will dramatically increase workforce participation
  - Will integrate all key workforce development programs & support services from various state & federal agencies into local “One Stop” centers
  - Enhances business and industry engagement to establish demand-driven priorities and measure impact at the regional level
- ❖ Creates an inmate rehabilitation and workforce development program to provide eligible inmates with job skill training and a work release program



# Tax/Fiscal Issues

## 💰 Pre "Stelly Plan" Income Tax Brackets restored

- ⌘ Effective Jan. 1, 2009
- ⌘ 1<sup>st</sup> year income tax relief of \$359 million
- ⌘ Retains 2002 "Stelly Plan" abolition of sales tax on necessary items

## 💰 Sales tax relief on manufactured houses used in recovery from Hurricanes Katrina and Rita

## 💰 Additional tax relief adopted in "Fiscal Special Session" earlier this year

## 💰 Capital Outlay Reform

- ⌘ Restricts the approval authority of Joint Legislative Committee on Capital Outlay to non-state projects totaling less than \$1 M
- ⌘ Provides a deadline of February 1 for approval of such projects
- ⌘ Requires non-state projects to come up with a 25% local match, with certain exceptions
- ⌘ Limits general obligation bond funding to no more than 25% for non-state projects.



# Insurance

- ❖ Motor vehicle liability insurance minimums
  - ❖ Increased to 15-30-25 from 10-20-10
  - ❖ Effective January 1, 2010
- ❖ Health insurance policies required:
  - ❖ To include at least \$50K coverage for prosthetic devices
  - ❖ To provide extensive autism treatments for children
- ❖ Regional or “zone” homeowner deductibles
  - ❖ Up to 4% for “named storms” on homeowner policies of over 3 years
- ❖ Insure Louisiana Incentive Program Fund
  - ❖ Unspent funds to be redirected after 3<sup>rd</sup> round of grants
  - ❖ If greater than \$35 million remains, funds will be credited to policyholders’ premiums
  - ❖ If less than \$35 million remains, funds will be used to offset state retirement system shortfall



# Ethics

## ❖ Prohibitions

- ❖ False statements by candidates
- ❖ Push polls containing false information
- ❖ Deceptive caller ID information

## ❖ Boards and commissions

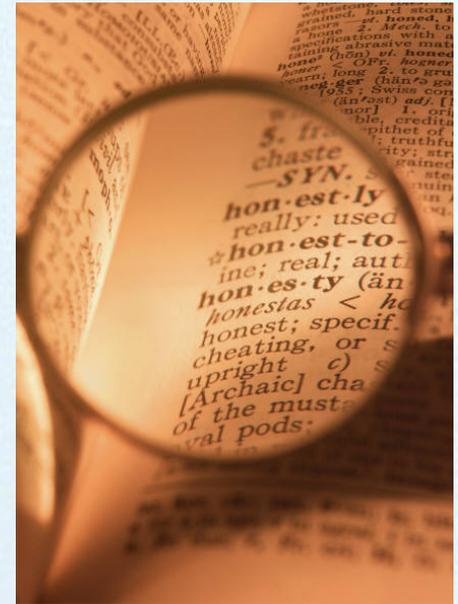
- ❖ Term limits for executive branch boards and commissions
- ❖ Appointed boards and commission members allowed to recuse themselves in conflict of interest matters

## ❖ Complaints to Board of Ethics



- ❖ Anonymous complaints no longer investigated (VETOED)
- ❖ Identity of a person filing an ethics complaint revealed to the accused (VETOED)

- ❖ Additional ethics reform adopted in “Ethics Special Session” earlier this year



# Public Meetings

## ❖ Public agenda rules changed

- ◆ Unanimous agreement required for public bodies to discuss issues not posted on an agenda
- ◆ Audience members are allowed to voice objections

## ❖ Allowance of attendance via video conferences for legislative committee meetings

- ◆ For meetings occurring between full legislative sessions
- ◆ On matters where no votes or legally binding decisions are made





# Elections

- ❖ Extension of Early Voting Period
  - ◆ Extends early voting hours by 1 ½ hours
  - ◆ Hours are from 8:30 a.m. to 6 p.m.
- ❖ Repealed July election date for bond, tax, and other proposition elections
  - ◆ Historically low voter turnout
  - ◆ Cost saving measure
- ❖ Additional locations for early voting
  - ◆ Pilot program to be changed to permanent program
- ❖ Constitutional amendments to be voted on Nov. 4, 2008



# Financial Disclosure



- ❖ Expanded prohibition of public officials from having contracts with the state to:
  - Deputy secretaries
  - Undersecretaries
  - Assistant secretaries
- ❖ Creates a new level of disclosure for certain boards and commissions
- ❖ Governor's transition teams required to file reports detailing contributions & expenditures
- ❖ Additional financial disclosure adopted in "Ethics Special Session" earlier this year

# Education

- ❖ \$4.9 billion spent on elementary & secondary education
  - ◆ \$3.3 billion for the Minimum Foundation Program (MFP)
- ❖ \$2.9 billion spent on higher education
  - ◆ \$119 million for TOPS
- ❖ Created the Student Scholarships for Educational Excellence Program (choice/vouchers)
  - ◆ Eligible students can attend participating public and non-public schools
  - ◆ For students in K - 3<sup>rd</sup> grade in 2008-09 school year
  - ◆ Cost for 1 year is \$10 million
- ❖ Students displaced by Katrina and Rita eligible for TOPS
- ❖ Created the Louisiana Science Education Act
  - ◆ Evolution, origins of life, global warming, & human cloning
- ❖ Program to forgive physicians' student loans in rural areas
- ❖ Tuition increases
  - ◆ Statewide college tuition increase up to 5% for each of the next 4 years
  - ◆ Additional law school increases for LSU and Southern



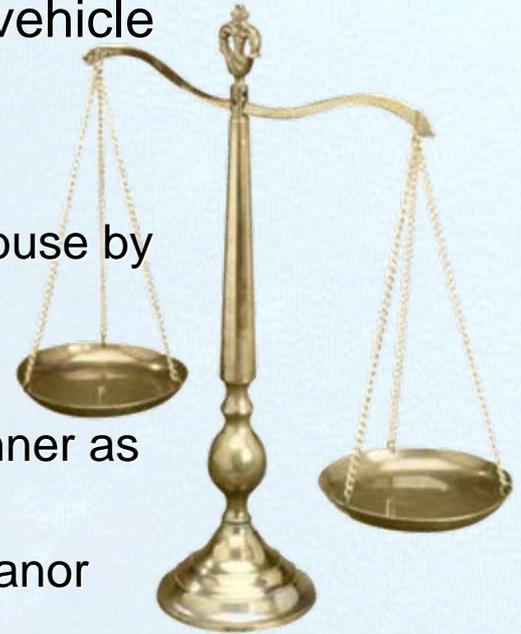
# Health and Hospitals

- ❖ Establishes a 3-member Emergency-Disaster Medicine Review Panel
  - ◆ Allegations, subsequently cleared, against Dr. Anna Pou cited as example
- ❖ Mental Health
  - ◆ Requires each region of the state to set up “receiving centers” for people experiencing a mental health crisis
- ❖ Telemedicine
  - ◆ Provides for the licensure of physicians practicing telemedicine
  - ◆ Authorizes its use in examinations by psychiatrists for civil commitment purposes
- ❖ Genetics
  - ◆ Prohibits use of public funds for human cloning
  - ◆ Establishes the Umbilical Cord Blood Banking Program

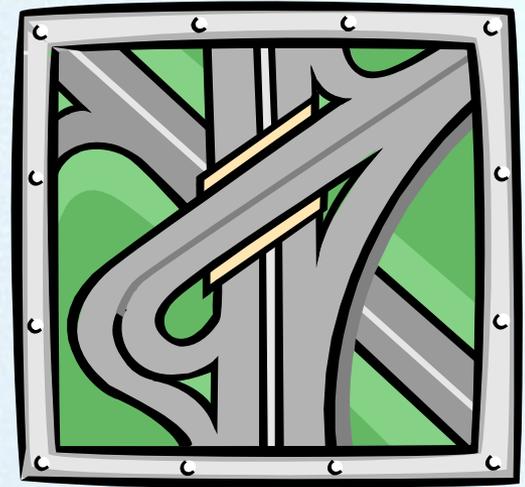


# Criminal Justice

- ❖ Citizens allowed to legally keep firearms in their vehicle
- ❖ Jetson Youth Center shut down in 2009
- ❖ Silver Alert
  - ◆ Expands protection of incapacitated adults from abuse by their caregivers
- ❖ Dogfighting
  - ◆ Penalizes spectators of dogfights in the same manner as participants
  - ◆ Penalty will now be a felony instead of a misdemeanor
- ❖ Sex-offender castration
  - ◆ Allows for the physical or chemical castration of certain sex offenders
- ❖ Creates the crime of displaying a noose with the intent to intimidate



# Transportation and Infrastructure



- ◆ Cell phones
  - All drivers prohibited from texting while driving
  - New and young drivers prohibited from using cell phones
  - School bus drivers prohibited from using cell phones while driving
- ◆ State owned bridges
  - Legislative approval required for sale of bridges
  - Applicable to bridges greater than 5 miles in length
- ◆ Louisiana Airport Authority
  - Revamped panel
  - Dept. of Econ. Dev. to recommend whether or not project is economically feasible by May 1, 2009
  - If not feasible, authority to be abolished July 1, 2009
- ◆ Creates the Southeast Regional Airport Authority

# State Retirement

## ❖ Teachers

- ◆ Authorizes a cost-of-living increase
- ◆ “COLA” up to 3.0% for teacher retirees

## ❖ State Employees

- ◆ Authorizes a cost-of-living increase
- ◆ “COLA” up to 3.0% for LASERS retirees



# Pay Raises

## Teachers

- \$ \$1,019 pay increase
- \$ Maintains southern average
- \$ 4 across-the-board raises since 2001-02

## School support personnel

- \$ \$1,000 one-time pay supplement

## Supplemental pay

- \$ Applicable to law enforcement, firefighters, etc...
- \$ Increased from \$425 per month to \$500 per month



## Public Service Commissioners

- \$ \$30,000 pay increase (VETOED)



## Legislators

- \$ \$20,700 pay increase in base salary (VETOED)

# Natural Resources

- ❖ Lake Peigneur exploration limited
  - ◆ Permits not allowed for the use or withdrawal of more than 3 million gallons of ground water per day from the Chicot aquifer
- ❖ Deer Hunting
  - ◆ Allows for the use of a crossbow in deer hunting
- ❖ Nuclear Waste
  - ◆ Prohibits the transportation of foreign-generated nuclear waste in state





# Of Interest

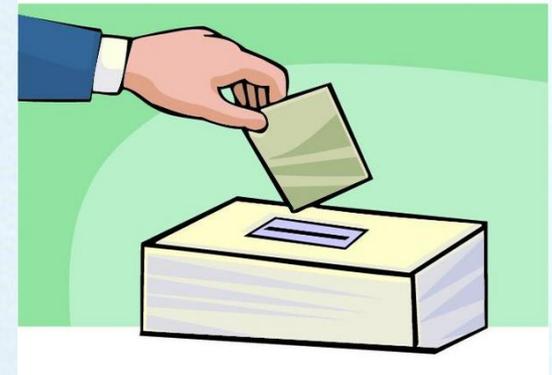
- ❖ Louisiana Agricultural Finance Authority
  - ◆ Required to comply with public bid laws
  - ◆ Prevents the Dept. of Agriculture from using rank-and-file employees to do construction work
- ❖ Consumer Choice for Television Act
  - ◆ Allows cable franchises to offer cable and video services to certain municipalities and parishes within the state
- ❖ Transferred control of certain boards and commissions from the Governor to the Lieutenant Governor:
  - ◆ State Museum Board
  - ◆ State Library Board
  - ◆ La. Tourism Development Commission
  - ◆ La. Retirement Development Commission



Military personnel under the age of 21 allowed to gamble  
(VETOED)

# Constitutional Amendments

- Removes certain restrictions on the disposition of blighted property
- Provides a temporary successor for a legislator ordered to active military duty
- Establishes term limits for executive branch boards and commissions
- Provides for transfer of the special assessment level to new property purchased to replace expropriated property
- Provides relative to contribution to post-employment benefit funds for public employees
- Extraordinary Legislative Session
  - Requires that the proclamation calling for an extraordinary session be issued and made public so that at least 5 calendar days elapse after the day the proclamation is made public and prior to the day of the start of the session
- Increases severance tax allocations to parishes
  - First from \$850,000 to \$1,850,000, effective July 1, 2009
  - Then from \$1,850,000 to \$2,850,000, effective July 1, 2010



Constitutional Amendments to be voted on by public, November 4, 2008