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THE 2006 REGULAR LEGISLATIVE SESSION WHERE'S THE BEEF?

Session Ends with Most Feeling Opportunities Were Squandered

The 2006 Session has come to an end unbelievably without major reform or change to significantly better Louisiana. Most of the Governor's reforms which did pass are symbolic and superficial.

What positives there were, had their beginnings in the Republican Rebuild Louisiana Right Coalition's agenda (2005 1st Extraordinary Session), and were filed in prior sessions. Governor Blanco, for the most part, adopted our agenda. Some examples include:

- Republicans fought vigorously to insure that everyone affected by the hurricanes could participate in the Road Home program. The Governor's plan limited participation in the process by means testing. Fortunately, we prevailed.
- The consolidation of judicial offices in New Orleans and the consolidation of the seven assessors in Orleans Parish were bills sponsored by Republicans in prior sessions. Both passed this session with overwhelming majority Republican support.
- Republicans were able for the first time to get \$120 million to support community hospitals for uncompensated care costs. As a result of Hurricanes Katrina and Rita, uncompensated care costs have skyrocketed at the community hospitals across the state. A teacher pay raise from growth in

revenues was the solution proposed last year by Republicans when the Governor attempted to pass her cigarette tax. We are grateful that she saw the light and provided a significant pay raise for teachers across the state.

- Expropriation legislation offered in response to the “Kelo vs. New London” case and legislation dealing with legacy lawsuits were also sponsored and supported by Republicans.

Unfortunately, much of this session was business as usual.

Other than the LRA resolution, the session did little for the Recovery Effort. Our constituents constantly ask, “Why is it taking so long? Why are we racked with indecision while Mississippi moves forward? Why is the Road Home Program so convoluted?” To these repeated questions, the Governor gave no answer.

Mayor Rudy Giuliani was quoted in Dallas earlier this week as saying the rebuilding effort in New Orleans was “pathetic.” We unfortunately agree. The Governor and the Division of Administration have been too slow in attacking the problems left by Hurricanes Rita and Katrina. The slow response will have major consequences in the redevelopment of the affected areas.

In our opinion, some harm was done during this session.

The Worst Piece of Legislation to Pass

Increasing Gasoline Prices

It is unbelievable to us that the Governor and her legislative leaders voted to raise gasoline prices. Mandating demand does not work. Governor Blanco and Agriculture Commissioner Odom fought hard to raise gas prices under the guise of economic development. Rep. William Daniel (R - Baton Rouge) offered an amendment to protect consumers. It was rejected by the Governor’s floor leaders and replaced by a new government bureaucracy which has one-time authority to protect consumers. This legislation is flawed and both pieces of legislation should be repealed next year.

Legislation Killed by the Blanco Administration or her Allies

Insurance Assistance

Refused to help with Insurance Policy costs. Republicans and conservative Democrats attempted to soften the blow from the Louisiana Citizens Property Insurance Corporation’s special assessment by appropriating funds to make the payments this calendar year. The Governor refused, and only allowed the funding to be used at the end of the fiscal year, costing Louisiana insurance consumers nearly \$50 million this year.

Budget Reform

Rep. Eddie Lambert (R – Ascension) offered restructuring of the state budget process. The Governor and her floor leaders blocked it because it takes budgetary authority away from the power of the Governor.

Items not addressed this session by the Blanco Administration

A Broken Budget and Capital Outlay Process

A bloated state budget continues to swell with pork barrel projects growing rapidly. Under the leadership of the governor, a clear lack of priorities gave way to uncontrolled spending at a time of unprecedented reform opportunities.

Increasing Debt Per Capita Ratio

The Administration has gone on a borrowing binge, raising the Per Capita Debt Ratio to the highest levels since 1994. This coupled with record or near record high outstanding cash lines of credit and non-cash lines of credit, reflect a “running up” of the State’s credit card. Fiscal control must be preserved given the growing fear of a false economy post-storm.

Health Care Reform

Nothing has been done with regard to long-term health care reform. The Governor loves to study things. At her request, the Legislature created a third study commission since her administration began. Health care studies have gone from the ridiculous to the sublime.

Education

Less money for primary and secondary education was appropriated under the Minimum Foundation Program (MFP). Thirty-four parishes lost money over last year’s allocation. Given the revenue forecast, school systems should not have been penalized under the MFP formula.

This session will be remembered for what it did not accomplish, not for what it did. Unfortunately, the most powerful governorship in the country hamstringing the Legislature. Leadership in this system must come from the top. Unfortunately, in too many areas this session executive leadership simply wasn’t there.

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