President’s Letter

The year 2016 has found us in the thick of major policy debates. The Public Affairs Research Council of Louisiana is playing a leadership role in helping determine the future direction of the state on critical issues concerning government budgets, taxes and economic development. PAR’s analysis, commentary, public outreach and participation on several key task force initiatives are making an important contribution toward shaping the discussion and building consensus for meaningful recommendations for positive, long-term change. The support from our members and friends has truly never been more important.

PAR’s work on state fiscal matters has been a hallmark of its 66-year history. Our series of reports on fiscal issues in the past two years have laid a strong foundation for the current public discourse. The organization has been the leading independent statewide voice on the issues and is frequently consulted by the media and citizen groups for information and education on the state’s budget and tax policies. PAR has a seat on the Legislature’s Task Force on Structural Changes in Budget and Tax Policy in addition to being a member of commissions making recommendations on sales tax streamlining, transportation infrastructure and local government revenues.

Through publications, media interviews and public outreach, PAR also has offered independent and authoritative guidance on health care, K-12 and higher education, ethics and open records. Recently, PAR released a new study titled *The New Louisiana Purchase: Building Trust with Sound Coastal Investment Policies* providing a citizen primer on the state’s coastal challenges while illustrating what is known and yet to be decided about how billions of dollars will be allocated and contracted in the name of coastal protection during the next few years. The report also provides guidance and specific recommendations for how state, federal and local leaders should proceed to safeguard precious finances and the public trust.

PAR is a dependable and popular resource for education about state constitutional amendments, six of which will appear on the November 2016 ballot. The *PAR Guide to the Constitutional Amendments* is an indispensable tool widely embraced by the media and the public. We also are preparing the 2017 edition of the *PAR Guide to the Legislature*, our pocket-sized catalog chocked full of useful information about lawmakers and state government.

This newsletter highlights our programs and recognizes the many generous supporters of PAR and its mission. Our members and benefactors are the pillars of our organization. We deeply appreciate their strong and steady support, which is essential to our success and for the future of Louisiana.

*Robert Travis Scott*
Coastal Primer Release

The persistent disappearance of Louisiana coastlands poses a threat to the state and national economy as well as to the coastal communities and their residents’ livelihoods. Louisiana’s leaders have a responsibility and a great opportunity to address this creeping danger by using newly allocated resources efficiently and effectively for restoration and protection. For its citizens as well as for stakeholders nationally, Louisiana must demonstrate transparency and accountability in its coastal spending practices and decision-making process.

The latest report from PAR, *The New Louisiana Purchase: Building Trust with Sound Investment Policies*, provides a citizen primer on the state’s coastal challenges while illustrating what is known and yet to be decided about how billions of dollars will be allocated and contracted in the name of coastal protection during the next few years. The report also provides guidance and specific recommendations for how state, federal and local leaders should proceed to safeguard precious finances and the public trust. PAR has been working with a diverse group of stakeholders to develop this area of research and recommendations, including business, environmental and education groups and government agencies. PAR’s researchers have conducted extensive interviews, document reviews and collaborative forums to produce the most comprehensive analysis possible.

Settlements from the BP Deepwater Horizon oil spill and other sources of revenue will be flowing to the state for years to come. Much of the BP money is regulated by court decisions, federal agencies and special authorities outside the Louisiana sphere of control, and yet many critical decisions on continue…

Louisiana’s Attempts to Tackle State Budget Troubles

After the 2016 regular session and two special sessions, the legislature was able to avoid crippling cuts but altered the tax code in the process. They brought major tax increases, modest budget cuts and further uncertainty about Louisiana’s financial future and business climate. Although the new governor did not achieve all his goals, he took significant steps in the direction of his preferred policies by raising state revenue and expanding Medicaid. The state budget placed less emphasis on one-time resources than in recent years and both the operational and construction budgets were built with a more transparent process.

PAR has a seat on the Task Force on Structural Changes in Budget and Tax Policy, an entity created by House Concurrent Resolution 11 in the 2016 first special session. The committee began meeting during the 2016 regular session and will deliver its recommendations to the state legislature. The charge given was both extensive and weighty – PAR President Robert Travis Scott, in conjunction with other task force members, will continue to hear testimony from various economists, agencies, nonprofits, and stakeholders to better understand state spending patterns and revenue sources.

PAR staff has produced multiple reports on the fiscal crisis to educate decision-makers and voters as well as put forward constructive policy prescriptions. A policy brief titled *A Plan to Control State Spending* was published by PAR in January to explain how the state’s fiscal woes began and what cuts, subsidies, exemptions, credits, funds, pension systems, and taxes should be reevaluated to stabilize the budget. *Out of Chaos Comes Change*, a synopsis of the first special session, was released in March 2016. Comprehensive reports providing additional insight into the current crisis were also produced in 2015, including the *PAR Guide to State Budget Crisis*, *Louisiana’s State Budget Vertigo*, and *The Budget is a Real Piece of Work*. PAR’s work as a reliable public watchdog group remains critical as the legislature and new governor continue to grapple with state deficits and attempt to steady the ship in the future.
Join or Renew your Membership

As a new, or renewing, member of PAR, you will receive all the benefits of membership:

- Preserving the historical legacy of the organization to promote good government and provide the public with facts necessary to make informed decisions on political issues.
- Annual PAR Guide to the Louisiana Legislature
- Reduced rates to conference
- Receive all PAR reports, analyses and other publications
- Future benefits as they become available to members

Your membership dues support the operations of The Public Affairs Research Council of Louisiana, a private non-profit 501 (c)3 organization. You may join securely online at www.parlouisiana.org.

PAR has suggested dues requirements for individuals, businesses and other organizations based on their size and type. Please contact PAR staff at 225-926-8414 ext. 217 for details.

PAR GUIDE TO THE 2016 CONSTITUTIONAL AMENDMENTS

The Public Affairs Research Council of Louisiana released the PAR Guide to the 2016 Constitutional Amendments. The Guide explains the potential impact of the six constitutional amendments that the public will consider on the Nov. 8 ballot statewide. This objective review will help voters understand the issues and the potential changes so they may develop their own positions on each proposition.

We encourage you to resend, share, and tweet/facebook the PAR Guide to the 2016 Constitutional Amendments with friends and fellow employees. You can help educate Louisiana citizens by providing them with a great source to the six proposed Constitutional Amendments on the ballot. The Guide is purely educational and does not recommend how to vote. It offers concise analysis and provides arguments of proponents and opponents.

Amendments 2, 3 and 5 are particularly significant because of their impact on state policy. They address who will set college tuition levels, the rate and deductions for corporate income taxes and a new trust fund to address state revenue surges. The Guide is available on PAR’s website at www.parlouisiana.org.

continued… these and other funds will be made on the state and local level. The state and its local governments must lead by example and make responsible investment decisions that will ensure its citizens, Washington and the nation that protection of the Louisiana coast is in both the state and national interest and worth both state and national support. Louisiana should demonstrate that the dollars will be wisely safeguarded.

The ultimate measures of success will be whether the state chose the most effective solutions and projects and implemented them correctly, resulting in a healthier and more sustainable coastal environment. Part of the state’s process should be to assess and reassess the goals and to evaluate whether or not those goals are being achieved by the expensive projects undertaken.

Along the way, the decision-making process should be accountable and transparent. The public and stakeholders need to understand how decisions are made and by whom. The process should be fair to citizens, taxpayers, the public entities and the private companies taking part. This point is particularly vital given the cultural, environmental and economic importance of the coast. It is in that spirit of looking for every opportunity to maximize coastal preservation efforts that PAR has offered these recommendations. By improving governance and wisely investing coastal funding, the state can set a foundation with strong science and good engineering to rebuild Louisiana’s coast and earn the public’s confidence.

PAR Guide to the 2016 Constitutional Amendments
An Independent, Non-Partisan Review

Voter Checklist – November 8, 2016

[[ N  Y ]]
[- - ] Amendment 1 - Establishes new requirements for local registrars of voters
[- - ] Amendment 2 - Tuition and fee autonomy to college management boards
[- - ] Amendment 3 - Eliminates federal income tax deduction for corporations on state tax returns and sets a flat rate
[- - ] Amendment 4 - Property tax exemption for surviving spouses of persons killed in the line of duty
[- - ] Amendment 5 - Creates a Revenue Stabilization Trust Fund
[- - ] Amendment 6 - Adjusts threshold for tapping protected funds

PAR has suggested dues requirements for individuals, businesses and other organizations based on their size and type. Please contact PAR staff at 225-926-8414 ext. 217 for details.
IRA CHARITABLE ROLLOVER MADE PERMANENT

The IRA Charitable Rollover has been passed by Congress and signed into PERMANENT law by the President.

This allows taxpayers age 70 ½ or older to transfer up to $100,000 annually from their IRA accounts directly to one or more qualified charities without first having to recognize the distribution as income.

The gift needs to be made by December 31, 2016, to qualify this year.

If you have any questions or need more information about the IRA Charitable Rollover, please contact Susan Mintz Kantrow at (225)926-8414, ext. 217 or susan@parlouisiana.org

Guide to the Louisiana Legislature

The PAR Guide to the Legislature is the indispensible book for anyone dealing with state government. Whether you are a veteran lobbyist or a political novice, the Guide provides critical information to make you better informed about state legislators, other elected officials, the congressional delegation and state agencies. The Guide includes sources of income for legislators, committee assignments, contact information and much more.

Copies are $10 each plus tax and shipping and can be purchased online at www.parlouisiana.org, or at the PAR office. PAR members receive a free copy annually. PAR thanks Entergy, Fishman Haygood, Ochsner, Verizon and Cyber Fision for their underwriting support of the Guide.

Additional Guide resources are now available for desktop and mobile devices. The 2016 E-Guide can now be purchased for $45 online or by contacting the PAR office. This database is a valuable resource for nonprofits, businesses and other grassroots organizations. The redesigned PAR Guide mobile app can now be downloaded for FREE on Apple and Android devices and provides additional access to important PAR reports and resources.

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The Public Affairs Research Council of Louisiana held its most attended and financially successful annual conference in its 66 year history on April 15 at the Crowne Plaza in Baton Rouge.

Over 700 people attended the 2016 event to support PAR, engage with lawmakers and other public officials, and hear president of the D.C.-based Tax Foundation Scott Hodge deliver the keynote speech. Governor John Bel Edwards delivered the luncheon’s introductory remarks, discussing the budget challenges Louisiana faces as well as the instrumental role that PAR plays in the legislative process. “PAR keeps us on task and makes sure we are operating government in a manner that is efficient, transparent, and in the best interest of the folks of Louisiana,” Edwards noted.

In his talk titled “Presidential Politics and the Future of Tax Reform,” Hodge discussed the structure and implications of the tax plans introduced by leading presidential candidates. An accomplished author of three books on streamlining government and a major player in the development of Congress’s Contract with America in the 1990s and Bush tax cuts in the early 2000s, he has worked with several 2016 contenders to develop and analyze their tax plans through the foundation’s unique Taxes and Growth Dynamic Tax Modeling Project. Hodge said that the Tax Foundation continues to work with PAR and other local individuals to improve Louisiana’s business climate.

“There is probably not a more important organization in America that the Tax Foundation works with than PAR. It’s absolutely critical to helping Louisiana become a better place to not only do business in but to do business from,” said Hodge.

PAR President Robert Travis Scott discussed the release of the new PAR Guide App on iOS and Android, a comprehensive database of information on elected officials and legislative sessions as well as useful PAR reports and resources.

The morning panel – comprised of State House Speaker Taylor Barras, Commissioner Jay Dardenne, Special Counsel to the Governor Erin Monroe Wesley and editor of LaPolitics.com Jeremy Alford – addressed some of the looming questions and concerns surrounding the state’s budget crisis and 2016 legislative season. The discussion was moderated by Robert Travis Scott and AP reporter Melinda Deslatte.

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While the perilous state of Louisiana’s finances remained the centerpiece of the dialogue, panelists talked about looming cuts to charity hospitals and higher education, revenue measures passed during the year’s first special session and long-term structural changes that may protect the state in the future. All individuals on stage agreed that the protected status of many state funds – often guaranteed by statute or the state constitution – needed to be reevaluated. Jim Tucker, former state house speaker, also echoed the need for structural changes required to stabilize Louisiana’s budget in the years to come. While responses to questions about capital outlay reform, local revenue sharing and shifting political power in the Capitol were often critical, panelists shared a sense of optimism that the state’s most pressing issues could be effectively resolved.

“The presenting sponsors of the event were: Business First Bank, Cleco, Cox Communications, Eagle Cove Investments, Jones Walker, LCMC Health, LWCC, Pierson Investments, Ratcliff Companies, Turner Industries and Verizon. More than 70 organizations, companies and individuals served as gold or silver table sponsors. Special thanks to the conference co-chairs: David Eustis, Fred Loy and Virginia Freeman Rowan.
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