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Assault on Louisiana Constitution Intensifies

By

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The attacks on Louisiana's Constitution have intensified as the \$11.7 billion state operating budget and a "supplemental" spending bill weave their way through the Legislative process. The Governor's proposed budgets have been approved by a majority of the House of Representatives and unless the Senate makes changes, a fiscal crisis is all but guaranteed for next year.

Last year, the Legislature circumvented the constitutional requirement of a two-thirds vote to raise taxes. By a simple majority vote, it authorized the Louisiana Recovery District board to raise the sales tax on food and utilities. This year, the budget proposal continues the attack on the Constitution on a number of fronts:

- * The supplemental budget allocates the remainder of last year's surplus to a variety of projects even though Article VII, Section 10, of the Constitution and state law require a surplus to be used only to help retire the state's massive debt. The Legislature is apparently giving credence to an opinion from the Attorney General that the surplus was accumulated before the amendment was approved by the voters and therefore does not have to be spent on debt. The opinion ignores voter intent as well as the fact that all surpluses, no matter when they occurred, are included.

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- * An expected one-time gift of \$125 million from the New Orleans casino operator is allocated for pay raises. This nonrecurring revenue is also constitutionally required by Article VII, Section 10, to be used for debt retirement.
- * The constitutional provision in Article VII, Section 10E, states in part that "Appropriations by the legislature...shall not exceed the official forecast in effect at the time the appropriations are made." Language proposing to appropriate funds, if and when they become available, for pay raises ignores this provision. If this practice is continued, the state will never have a surplus and this provision, which attempts to require fiscal responsibility, would be rendered meaningless.

In addition to these constitutional issues, the proposed budget ignores the fact that the state is expected to lose an estimated \$600 million or more in federal funds next year. Rather than planning for this loss by taking steps to reduce spending, our future fiscal condition is worsened by providing pay raises that will cost an additional \$176 million.

Now, the Governor is proposing to avoid the constitutional problems involved in providing an employee pay raise and a cost-of-living adjustment for retirees by devising a scheme to give a one-time supplemental payment to state employees, teachers and retirees. Again, the attempt is to circumvent a constitutional prohibition against giving bonuses for work already done. As with the "temporary" sales taxes first levied in 1986 that continue today, a "bonus" costing \$145 million is unlikely to go away.

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The budget balancing gimmicks begun in 1983 continue to emphasize a lack of vision in our state Capitol. Supporters of the current budget bill have failed to explain how the 1995-96 budget will be balanced. It is apparent that taxpayers are being placed in jeopardy. With next year being an election year, the Governor and Legislature will be reluctant to raise taxes or cut the budget. Budget gimmicks to get us past those elections may exceed our worst nightmares.

Enough is enough! The Constitution should be a sacred document protected by our elected officials and not ignored whenever it is felt politically convenient and expedient to do so.