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## Summary of the Week

The Louisiana Legislature started the current session at a fast pace in introduction of bills with 302 in the House and 108 in the Senate. Pre-session filing of bills accounted for the much larger volume than the total of 203 filed in the opening week of the 1956 regular session.

Major issues indicated in the opening week include the following:

INCREASED TAXES. Four bills were filed and two of these withdrawn. HB 85 proposed a fifty-cent per long ton increase in the severance tax on sulphur, but was withdrawn. HB 8 proposed an increase in the acreage tax on timber to five cents per acre, and was also withdrawn. HB 299 proposes a one cent increase in the state sales tax for teacher salaries. HB 161 proposes a two per cent sales tax on insurance premiums. New tax proposals expected would add two cents to the gas gathering tax and increase the tax on wines.

"RIGHT-TO-WORK". SB 7 proposes to establish through constitutional amendment a "right-to-work" law in Louisiana similar to the one adopted in 1954 and repealed in 1956. A companion measure, SB 8, would establish this measure by statute.

TEACHER PAY. The question of maintaining salaries of public school teachers at the level in effect for the current school year is in the forefront of legislative discussion. Two resolutions seeking early action on support of teacher salaries were introduced in the House and referred to the Appropriations Committee. One would direct the Appropriations Committee to allocate funds for payment of the full teacher salary schedule adopted in 1956 before approving other appropriations. The second would place the Legislature on record as desiring to maintain existing salary schedules for teachers out of present revenues as a first step of the Legislature. Hearings and action on the resolutions are possible in the second week.

CIVIL SERVICE. HB 110 proposes repeal of the "Little Hatch Act" in the civil service law. This is the prohibition on political activity of classified employees. HB 192 proposes examinations for all classified employees blanketed into their positions under the present civil service law. Both are proposed constitutional amendments.

ELECTIONS. HB 238 proposes to shift the congressional primary election date from the last Saturday in July to the last Saturday in August. HB 105 would change the date of the first primary in the gubernatorial elections from the first Saturday in December to the third Saturday in January and allow a four-week interval between first and second primaries. HB 19 would provide for runoff elections for all statewide offices in the event no candidate received a first primary majority.

BOARD FOR HIGHER EDUCATION. SB 40 would establish a single "Board of Regents" to govern the state colleges and co-ordinate college administration with that of the Louisiana State University. The present State Board of Education would be retained for administration of the public schools. HB 271 would give constitutional status to the new branch of Louisiana State University in New Orleans.

LEGISLATIVE EXPENSES. HB 180 provides \$1,358,000 for expenses of the Legislature, an increase of \$313,000 over the appropriation made in the 1956 regular session.

# Appropriations of Questionable Constitutionality

Once again in this session, the legislature is being asked to appropriate funds to private organizations, as has been done in the past. In the first week of this session, 36 bills to provide over \$392,500 to private groups were introduced. Such appropriations are questionable in view of the constitutional provision, Article IV, Section 8, which reads in part:

" . . . No appropriation from the State treasury shall be made for private, charitable or benevolent purposes to any person or community; provided this shall not apply to the State Asylums for the Insane, and the State Schools for the Deaf and Dumb, and the Blind, and the Charity Hospitals, and public charitable institutions conducted under state authority."

State assistance to private organizations is further prohibited in Article IV, Section 12 of the constitution in the following language:

" . . . The funds, credit, property or things of value of the state, or of any political corporation thereof, shall not be loaned, pledged or granted to or for any persons, associations or corporations, public or private; nor shall the state, nor any political corporation, purchase or subscribe to the capital stock or stock of any corporation or association whatever, or for any private enterprise, except as otherwise provided in this Constitution . . . ."

In the past four fiscal years, the legislature has appropriated \$3.4 million, or a yearly average exceeding \$800,000, to private associations or institutions. For the 1957-58 fiscal year, \$677,775 was granted -- \$447,775 to fairs and festivals, which are conducted by private non-profit associations; \$100,000 to the New Orleans Crippled Children's Hospital; \$25,000 to the Eye, Ear, Nose and Throat Hospital; \$25,000 to Flint Goodridge Hospital; \$15,000 to the Sara Mayo Clinic; \$15,000 to the Milne Home; and \$50,000 to the Northeast Louisiana Cerebral Palsy School Clinic at Monroe. The special appropriations to hospitals are in addition to funds received by private hospitals under the "contract bed program" administered by the State Department of Hospitals.

The purpose and usefulness of these projects for which state funds have been appropriated are not questioned. In most instances, the purpose has been to assist in the promotion of state industries and agricultural products, as in the case of fairs and festivals, or to provide care for needy or afflicted persons. However, the practice of granting state funds to private groups in the face of a constitutional prohibition is questionable.

Appropriations to private groups are not subject to budgetary provisions and fiscal review to the degree that the expenditure of public funds warrants. Appropriations to such groups have been on a selective basis. For example, all the recent private hospital appropriations have been for institutions in New Orleans. If extra funds are needed to augment the state's care of the needy there, it raises the question: Is the rest of the state being slighted? An appropriation was granted for one cerebral palsy school without a determination if the need was greater there than in any of the other five schools throughout the state providing similar services.

There are other state-supported activities which should be reviewed to see if they adhere to the intent of the constitution. In several instances, the legislature appropriates to a state agency, which in turn distributes the funds to private groups. While this practice may or may not be technically in conflict with the constitutional provision governing the disposition of state funds to private groups, it would seem to violate the intent of the law.

The ignoring of clear-cut constitutional provisions by the legislature in regard to the disposition of public funds constitutes a weak link in state financial administration. This practice should be carefully reviewed by the legislature in view of the needs of established state functions and responsibilities which should receive priority consideration in the distribution of available funds.

If the state is to meet current and direct obligations and operate within its income, it is necessary for the legislature to take first things first, by providing those services for which the state is responsible. Services which are additional or "extras" should be

provided only after the essential requirements have been met, and then only in accordance and harmony with constitutional and statutory provisions.

The table below lists appropriations made in the last four fiscal years to private organizations, either directly or indirectly.

Purpose	1957-58	1956-57	1955-56	1954-55
Hospitals, Private and Local	\$180,000	\$180,000	\$130,000	\$ 130,000
Fairs and Festivals (Including Capital Outlay)	447,775	671,005	564,250	1,108,285
Northeast Louisiana Cerebral Palsy Clinic	50,000			
Louisiana Navy Mothers Club		3,000		3,000
<b>TOTAL</b>	<b>\$677,775</b>	<b>\$854,005</b>	<b>\$694,250</b>	<b>\$1,241,285</b>

## Higher Education Board

SB 40 proposes to amend the Constitution to (1) remove the state colleges from the control of the State Board of Education, and (2) establish a unified system of higher education for the state, under a Louisiana State Board of Regents for Higher Education which would serve as a governing body for the state colleges and as a co-ordinating council for the colleges and Louisiana State University.

The State Board of Regents for Higher Education would be composed of nine members, to be appointed by the Governor with the advice and consent of the Senate. One member would be appointed for a term concurrent with the Governor's term of office, and eight would be appointed, one from each of the state's congressional districts, for overlapping terms of eight years. Initial terms of the eight members from the congressional districts would expire at the rate of one each year, beginning December 31, 1959.

The enabling act, SB 41, provides that members of the Board of Regents could not be employees or members of the boards of any of the institutions in the state system of higher education, nor could they be employees or officials of the state. Of the nine regents serving at any one time, not more than four could be from the same profession or occupation, and not more than three could be graduates or former students of any one institution in the system.

Members of the State Board of Education in office on the effective date of the constitutional amendment would be allowed to relinquish membership on that board and transfer to the Board of Regents, for terms equal to their unexpired terms on the State Board of Education. Provisions as to initial appointments and membership would be disregarded to the extent necessary to allow all State Board of Education members to transfer to the Board of Regents.

## Powers and Duties of the Board of Regents

The Board of Regents would have full control and management of the seven white and two Negro institutions of higher education which are presently under the State Board of Education. The Board of Regents would also "constitute a co-ordinating board of control" for these nine state institutions and Louisiana State University, as well as for any non-public institutions of higher education which elected to become co-ordinated with the state system of higher education.

In its capacity as a co-ordinating board, the Board of Regents would (1) prescribe standards of higher education; (2) determine functions and courses of studies for each of the institutions of higher education; (3) grant degrees and other forms of academic recognition; (4) recommend to the Governor and to the Legislature one over-all budget covering all expenditures to be made at all state-supported institutions of higher education; (5) determine the fees to be charged at each state-supported institution, and (6) make necessary rules and regulations to carry out its powers and duties.

The enabling act provides that, in determining functions and courses of study, the Board of Regents would afford each institution affected a full public hearing before ordering any change. Sufficient time would be allowed before final action for the institution to prepare and present arguments for or against proposed changes.

The proposed amendment stipulates that the powers and duties of the Board of Regents could not be altered or modified by the Legislature.

The Legislature would also be prohibited from establishing additional state-supported institutions of higher education, including junior colleges, and from providing that junior colleges become four-year colleges, except upon recommendation of the Board of Regents, and then only by two-thirds vote of the elected members of each house.

### **Appropriations for Higher Education**

Appropriations made by the Legislature for all state-supported institutions of higher education would be made directly to the Board of Regents, in consolidated form and without reference to any particular institution. The Board of Regents would allocate funds to each institution according to its needs and functions. No appropriation or dedication of funds would be made directly to or for any state institution of higher education. However, Louisiana State University would continue to receive funds presently dedicated to it by the Constitution.

An exception to these provisions would be made for five of the state colleges -- Northwestern, Louisiana Polytechnic, Southwestern, Southeastern, and Southern -- for which certain funds would continue to be specifically appropriated. The Board of Regents would take into consideration such direct appropriations in determining the amount of the consolidated appropriation to be allocated to each of these colleges.

The enabling act provides that each of the state-supported institutions would submit a budget to the Board of Regents annually, showing all funds received from state, federal, or private sources. The board would be allowed to consider only public revenues of the institutions in preparing its over-all budget for the Governor and the Legislature, and in allocating state funds. Endowments, gifts, and other private funds would belong to and be used solely by the recipient institution.

The enabling act provides that after the Board of Regents allocated to the institutions the funds appropriated by the Legislature, the board could increase, but could not decrease, its allocation to any institution.

Non-public institutions which became co-ordinated with the state system of higher education could not receive funds appropriated by the Legislature to the Board of Regents.

### **Board of Regents Staff**

The Board of Regents would be authorized to employ such personnel as it deemed necessary to carry out its functions, at salaries fixed by the board. All employees would serve at the pleasure of the board. The enabling act provides that the board appoint a chancellor, to serve as administrative officer for the board.

To defray its expenses, the board would assess each public institution in the state system of higher education at the rate of 75 cents per regular student enrolled, or a total assessment of \$50,000, whichever was greater. The Legislature could increase these amounts.

### **State Board of Education and LSU Board**

The State Board of Education and the Louisiana State University Board of Supervisors would both remain as presently constituted. The State Board of Education would continue to control public elementary and secondary schools and trade schools (including certification of teachers for such schools), as well as special schools for the handicapped. Powers and duties of the LSU Board of Supervisors would be restricted to those not vested in the State Board of Regents for Higher Education.

# Unemployment Compensation

The Louisiana unemployment compensation program covers most people who work for employers who employ four or more persons for 20 weeks during the year. Employees generally excluded from unemployment compensation benefits include agricultural, domestic, self-employed, unpaid family, interstate railroad, government workers, and workers employed in non-profit organizations.

State unemployment compensation programs are designed to deal with short-term unemployment and to act as a temporary and partial replacement of wage loss. There were 552,659 persons covered by the program in Louisiana in 1956, the latest year for which data are complete. At the end of 1957, there were 23,794 employers subject to the state's employment security law, compared to 23,094 at the end of 1956.

For the first three quarters of 1957, employer contributions to the Louisiana Unemployment Compensation Fund totaled \$18.3 million, compared to \$18.4 million contributed in the 1956 calendar year. The average employer contribution rate for the first three quarters of 1957 was 1.4 per cent of covered payrolls; in 1956 it was 1.3 per cent of such payrolls.

The unemployment compensation programs in the states are based on a 0.3 per cent federal tax and a state tax ranging from 0.1 per cent to 2.7 per cent of wages covered. Through provision in state laws, an employer pays a smaller state tax if he has a record of stable employment. This is known as experience rating, and is designed to encourage employers to regularize employment and reduce tax costs. In Louisiana, the law permits rates ranging from 0.1 per cent to 2.7 per cent of covered wages. In practice, 1957 rates varied from 0.3 per cent to the maximum 2.7 per cent.

## 1958 Proposals

To date, bills have been introduced which would change the over-all contribution rate, raise the amount and duration of benefits, add to existing wage definitions, and liberalize existing provisions concerning the disqualification of employees for unemployment compensation benefits.

SB 58 would provide that an individual who qualifies for unemployment compensation can receive benefits for the first week of unemployment if he is unemployed for a period of six weeks or longer. The present law does not allow unemployment compensation benefits for the first week of unemployment.

SB 59 would increase the maximum weekly unemployment benefit from \$25 to \$48 and the maximum duration of benefits from 20 weeks to 39 weeks. The minimum weekly benefit would remain at \$5. The average weekly benefit for all covered unemployment in Louisiana, total and partial, was \$21.54 in 1957.

SB 62 would amend and liberalize the existing law concerning the disqualification of an employee for unemployment compensation benefits, when he has (1) voluntarily left work without good cause; (2) has been temporarily suspended or discharged for misconduct connected with work; or (3) has failed without good cause to seek suitable and available employment or accept suitable employment when offered. Ineligibility for any of these reasons is determined by the administrator of the Division of Employment Security.

The changes proposed by SB 62 would establish a period of ineligibility of not more than six weeks, following the week in which disqualification occurred. The present period of ineligibility, by reasons cited above, is "until such time as claimant can demonstrate that he has been paid wages for work equivalent to at least ten times his weekly benefit amount following the week in which the disqualifying act occurred, and provided that he has not left his last work under disqualifying circumstances."

SB 72 proposes changes in the contribution of employers to the Unemployment Compensation Fund. Under existing law, the contribution rate is based on the experience rating of employers, and ranged from 0.3 to 2.7 per cent of covered wages in the first three quarters of 1957.

SB 72 would set a standard contribution rate of 2.7 per cent of wages paid during each calendar year, a considerable increase over the 1957 average contribution of 1.4 per cent. The proposed law would repeal sections pertaining to and prescribing the present contribution rates, which are determined by employers' rating experience.

HB 29 would add to the definition of the term "wages" and would provide that living quarters, furnished agricultural workers by an employing unit, would not be considered as wages, under the employment security law.

## Programs in Other States

Amount of Benefits: Thirty-nine states provided maximum weekly unemployment compensation benefits of \$30 or more in October 1957. Six states provided a weekly maximum of \$28 and two had maximum benefits of \$26 per week. Louisiana was lowest with a maximum weekly benefit of \$25.

Seven of the nine states with weekly maximum benefits below \$30 are southern states -- Alabama, Arkansas, Louisiana, Oklahoma, South Carolina, Texas, and Virginia. The other two are South Dakota and Vermont. Based on interstate comparisons of October 1957, if SB 59, which would raise the weekly maximum benefit from \$25 to \$48 were enacted, Louisiana would rank third in the nation, behind Connecticut and Nevada in maximum benefits.

Duration of Benefits: In 1957 the maximum duration of benefits in 29 states was 26 weeks or more; four states had a maximum of 24 weeks; four had a maximum of 22 weeks; eight states, including Louisiana, provided a maximum of 20 weeks; two states, Arkansas and Virginia, provided 18 weeks; and Florida's maximum duration is for 16 weeks.

Louisiana would be first in maximum duration of benefits if SB 59 were enacted, which would increase the duration from 20 to 39 weeks.

Rates: The average employers' contribution rate ranges from 0.5 per cent of covered wages in Colorado, Iowa, and Virginia to the maximum rate of 2.7 per cent in Rhode Island. Louisiana's average contribution rate is 1.4 per cent.

## Legislative Workload

Legislators in Louisiana, as in many other states, are faced with an increasing volume of proposed legislation to consider. The large number of bills introduced makes careful study and deliberation by the legislature difficult, increases printing costs; works a hardship on those providing research, reference, and drafting services; and results in logjams at the end of the session. During the 1956 regular session of the Louisiana Legislature, 1,990 bills were introduced (1,550 in the House and 440 in the Senate). In only ten other state legislatures (California, Connecticut, Florida, Illinois, Massachusetts, Michigan, Minnesota, New York, Pennsylvania, and Tennessee) were there more bills introduced during the regular session of 1956 or 1957 than in Louisiana.

### Length and Frequency of Legislative Sessions

One approach to reducing the legislative workload is to provide for more frequent or longer legislative sessions. Louisiana adopted annual sessions in 1954, following a postwar trend among states. Fourteen states now have annual sessions; six of these, including Louisiana, have a short "budget" session.

Two proposed constitutional amendments have been introduced which would change the length and frequency of Louisiana's legislative sessions. One bill (HB 139) would continue annual sessions, but would extend the number of days for both the budgetary and regular sessions. The other bill (HB 16) would eliminate annual sessions and extend the length of the regular even-year session.

Extended Annual Sessions: HB 139 would triple the maximum number of days for the regular legislative session, from 60 to 180 days, and would double the number of days for the budget session, from 30 to 60 days. The period for introducing bills would be increased, during a regular session from 21 days (or 30 days for proposed constitutional amendments) to 45 days and during a budget session, from 10 to 20 days. HB 139 would also provide an additional 10-day session, to convene 15 days following a regular or budget session, for considering gubernatorial vetoes. This proposal would become effective for the regular 1960 session.

Split Biennial Sessions: HB 16 would abolish the present 30-day budget session, and would establish an 80-day split session to be held every other year. The first 20 calendar days of the biennial session would be restricted to introduction of bills. (The present provision for permitting introduction of bills after the deadline, in cases of emergency and upon approval of

two-thirds of the elected members, would be continued.) A 30-day recess would follow the period for introducing bills, during which time the bills introduced would be printed and digested. Legislators would not receive per diem pay during this recess. There would then be a 60-day legislative session.

### **Pre-Session Filing of Bills**

A number of new methods and procedures have been devised for coping with the problem of increasing legislative workloads. One such device is the pre-session filing of bills, adopted by Louisiana in 1954. Thirteen states now permit pre-session filing. One of these states, Massachusetts, requires that all bills be filed one month prior to a session. (Bills can be introduced in Massachusetts during a session upon approval of four-fifths of the members present and voting, or upon request of the governor.)

Various studies in recent years have recommended pre-session filing to permit additional time during the session for consideration of bills, to aid the legislator in drafting proposed legislation and in securing sufficient copies, to speed up the printing of bills, and to help prevent logjams during the session. Thus, much of the processing of legislative bills can be accomplished without the legislature being in session, thereby saving legislators' time and reducing expenses of the legislative session. Another advantage of pre-session filing is that it permits legislators, public officials, citizens, and other interested groups to have additional time for studying proposed legislation. In Louisiana, however, little additional time for study is gained since bills filed prior to the session are not released until the opening day of the session when they are formally introduced.

Legislators in Louisiana could take greater advantage of pre-session filing. In the 1956 regular session, only 18 bills (six in the House and 12 in the Senate) were filed prior to the session. For the current session, there were 238 prefiled bills (165 in the House and 73 in the Senate), which will probably constitute only about 10 per cent of the total number of bills that will be introduced. Greater utilization of pre-session filing would eliminate the need for longer periods during a legislative session for introducing bills.

### **Other Methods**

Some of the other methods being used to utilize legislative time more effectively include joint hearings to shorten the time for bill consideration in committees; effective home rule for local governments to eliminate the volume of local bills; and establishment of claims tribunals to deal with suits and other claims against the state. The Hawaii Senate in 1957 introduced a novel approach. Instead of introducing bills, short outlines are presented which state the purpose and general means of achieving the desired result. These are referred to committee and if approved, the committee drafts a conventional bill for reading, consideration, and voting. A number of states facilitate the study of proposed legislation by indicating changes in brackets, italics, or other methods.

Several states, including Oklahoma, Tennessee, and Washington, have continuing studies of legislative procedures. Louisiana, in 1952, established a committee to study its legislative procedures and session laws and as a result, several of its recommendations were adopted in 1954, including annual sessions, pre-session filing, orientation conferences for legislators, printing of bills upon introduction, reduction of the number of standing committees, and provision for joint hearings.

Before consideration is given to lengthening the time of legislative sessions, there should be continuing study to assure maximum productive use of session time. Not only could more use be made of procedures now permitted, but attention should be given to eliminating unnecessary steps and outmoded practices.