



## Cool passions on revenue

The way that legislators drooled at the windows looking in on the Revenue Estimating Conference, one might have thought that lawmakers were seeing pinup girls instead of the four middle-aged white men at the table.

The estimators officially blessed a new revenue forecast that provided \$360 million in money for lawmakers to spend in this year's session.

But a word of caution is in order. While there's new money, it isn't as lavish a proposition as it first appears.

About half the new money is a one-time surplus this fiscal year, which ends June 30. That money should not be spent willy-nilly in the operating budget, but should be treated as the one-time money that it is.

Under the constitution, the surplus will be used in part to boost the state's rainy-day savings fund, and can also be used for one-time expenditures like public works or matching funds for college endowments. It could also be used for paying off long-term obligations, and as the Public Affairs Research Council reminded legislators this week, there's a whole lot of retirement systems needing cash to deal with future obligations.

The roughly half of the money forecast for the 2006 fiscal year, beginning July 1, can legitimately be used for on-going expenses such as teacher pay raises and matching federal funds for health care for the poor. Both are pressing needs, but there probably is not enough recurring revenue in the new forecast to do both things.

That means that legislators probably should not use the revenue forecast to avoid votes on revenue raisers, such as the \$1 a pack increase in cigarette tax sought by Gov. Kathleen Blanco.

That tax is probably still a good idea, as it would discourage young people from taking up a life-threatening bad habit.

The state isn't as flush as it might appear from the excitement caused by the Men of the Revenue issue hitting the floor of the House and Senate. Members should calm down and start thinking about the state's responsibilities, soberly.

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