

## theadvocate **Opinion**

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### Big questions face Louisiana

No one has all the answers about how Louisiana's relief and recovery efforts should proceed in the wake of Hurricane Katrina. However, the first step in seeking those answers is to ask the proper questions.

Everyone will have his own list of public-policy questions as Louisiana and the Gulf Coast region attempt to recover, and the list of questions is likely to grow.

But we believe the Public Affairs Research Council of Louisiana has made a good start on advancing this important discussion with its recent list of questions for area officials and their constituents to consider.

PAR is a nonprofit, nonpartisan research agency that studies state issues. Its insights have proved useful over the years in throwing light on important issues before voters, the governor and Legislature. Post-Katrina, the think tank naturally is shifting its focus to concentrate on the profound economic, education, health-care and infrastructure implications of the storm damage.

"Our research will provide meaningful policy guidance as the state rebuilds its fiscal stability and economic viability," PAR President Jim Brandt pledged.

"Louisiana's infrastructure needs have never been greater," said Brandt. "The state was facing a \$10 billion backlog in (road) construction projects prior to Katrina's destruction. That amount will multiply as damage estimates are developed. Additionally, the temporary loss of one-third of the state's general fund revenues, which are generated by the New Orleans area, will create an immediate cash-flow problem."

In a double-whammy, as revenue declines, needs for state services surely will increase, Brandt predicted. "The state's already-challenged health and education systems are struggling to cope with massive displacements and service demands," he said. "And, as billions of dollars in rebuilding and recovery contracts are awarded, oversight and transparency requirements will be critical to prevent fraud and corruption."

Here are some questions that PAR plans to explore in coming weeks:

- Should the state re-examine provisions that guide its use of the Rainy-Day Fund, the piggy bank that's meant to ease state government revenue crunches?
- Will the state need to tap its \$3 billion in trust-fund reserves to make debt payments and continue to provide services?
- Should the state sell the remaining portion of its Tobacco Settlement Agreement? Is there a market for it?
- Will the state's existing revolving-loan program for local projects be sufficient to meet local needs? What are the alternatives for providing local governments the assistance they will need?

- Should the constitutional balanced-budget requirement and expenditure limit be relaxed? How about the prohibition against borrowing for current spending?
- If budget cuts are required, should the governor's authority to shift agency funding and apply across-the-board cuts be expanded?
- How should budget-cutting priorities be established?
- Which economic development incentives are available to jump-start the state's southeast economy?
- Are personal income tax breaks required to help citizens rebound and encourage them to stay?
- Should special provisions allowing the state to collect local sales taxes and to develop local tax-sharing agreements be developed?
- What state policies can be developed to help local communities deal with the strain of shifting populations?
- How can the state ensure that expropriation rights are not abused as a storm-damaged area is redeveloped? Where is the line between development for the public and private good?
- Is there a need to adjust the property-tax laws for the affected areas?
- Will school enrollment shifts require adjustments to the state's education funding formulas?
- Should state and federal school accountability program rules be adjusted to allow for the disruption of performance the migrations likely will cause?
- Should the legal requirements for certified teachers be adjusted? How well are districts meeting the requirements in the midst of massive student and teacher migrations?
- What policies will ensure the Louisiana Community and Technical College System is able to quickly adapt its work-force training programs to meet new needs?
- How will public-hospital services be provided?
- What will be the impact on plans to replace the charity hospitals in Baton Rouge and New Orleans?
- Are there ways to satisfy growing health-care demands with more efficient service provision?
- What is the impact on the state's Medicaid program? How will the additional demand be funded?
- What will be the impact on the state's highway funding priority list?
- Should the state take a role in repair of local roads?

- What mechanisms will assure the proper monitoring of emergency contracts to ensure fairness and transparency as aid dollars are spent?

These are important questions that Louisiana voters and public officials will need to consider in the months ahead. Many other questions are sure to follow. Clearly, we have our work cut out for us.