

Jones calls for truce between Blanco, Hines

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BATON ROUGE -- Louisiana Senate President Don Hines today joined the chorus of people urging Gov. Kathleen Blanco to postpone until after Jan. 1 the special legislative session that is scheduled to start next week.

The governor's office said Hines, a Bunkie Democrat, was in on the consensus that led to her announcing last month that the special session would be held Dec. 8-17.

Hines took the unusual step today of releasing a copy of his letter to the governor calling for the delay. It came one day after the governor's forces on the state Bond Commission blocked a syrup mill project that would have benefited financially ailing sugar cane farmers in Hines' district.

The Senate leader and several senators -- including some supportive of the governor -- said senators are unhappy with the December session dates. Several also are unhappy that the governor's office has not consulted them about her agenda.

"Every senator that I have talked to doesn't want to come," Hines said this afternoon, explaining why he sent a hand-delivered letter to the governor urging her reconsideration of calling the session to start Dec. 8.

A 10-day session is far too short for the Legislature to give due consideration as to how to spend \$2 billion, Hines said. And since much of the spending would need a two-thirds vote of approval to get around constitutional spending limits, he said, that would be difficult to obtain in the Senate.

"I believe this will be very difficult to achieve in the Senate based on the sentiment of the members," Hines says in his letter. "Delaying the session would allow for better communication and planning with the Legislature for the expenditure of the additional funds and significant tax relief."

The governor set the session dates only after conferring with Hines, other legislative leaders and various caucuses last month, said Kim Hunter Reed, Blanco's deputy chief of staff. "Gov. Blanco held meetings with House and Senate leadership, including Sen. Hines, where a consensus was reached on an early December session."

The governor is preparing a statement for release later today.

In an interview, Hines said one senator will be out of the country, another will be out part of the time in Washington, D.C., and a third will be spending several days in New York City -- all on trips that were planned and paid for long in advance.

Public Affairs Research Council of Louisiana President Jim Brandt also has urged postponement of the session to give more time for consideration and discussion about how to spend the \$2 billion. And a New Orleans business group has called for a delay.

Complicating the political issues is the fact that Hines is chairman of the four-member Revenue Estimating Conference, which must vote unanimously to agree on revenue projections the Legislature must follow in balancing spending and revenue. Unless all four members agree on new revenue projections, the existing ones would stand -- and no additional money could be spent in the special session.

The Blanco administration has said the state ended the fiscal year June 30 with a surplus of at least \$827 million and maybe up to \$1 billion. There is a projected surplus in the fiscal year that began July 1 of more than \$1 billion.

Hines, as chairman of the Revenue Estimating Conference, is, therefore, critical to the administration's plans for declaring more revenue for the Legislature to spend in the special session.

The state Bond Commission voted 9-4 Thursday against a state loan guarantee that would have enabled Bunkie area farmers to finance a \$135 million sugar cane syrup-grinding mill that Hines favored. The governor joined state Treasurer John Kennedy in opposing the mill loan guarantee.

"I'm not mad about the syrup mill; I'm just going to get even, that's all," Hines said this afternoon in an interview.

The governor's staffers are working on the special session call expected to be issued late Saturday evening. They were considering expanding the session to Dec. 8-21 instead of Dec. 8-17 to give more time for consideration.

"That's really going to put the death knell into it," Hines said. "If people are going to be unhappy about the 17th, they're going to be even more unhappy with the 21st."

Sen. Charles Jones, D-Monroe, one of the governor's legislative leaders, today called for a truce between Hines and Blanco. "I think there needs to be an emergency meeting called between the governor and the leadership in the Senate and House to have a discussion.

"You don't want to have a recalcitrant atmosphere going in. You need an environment that can foster progress and success."

Senators are unhappy about giving up two holiday weekends for the special session, said Sen. Robert Barham, R-Oak Ridge. "The point Doc Hines makes in the letter is right. It's pretty clear we don't need to rush into this special session."

Sen. Robert Adley, D-Benton, one of the governor's supporters in the Senate, also said senators are unhappy about the Christmas season session. "Why wouldn't you wait until January and do a three-week session and do it right?"

Sen. Robert Kostelka, R-Monroe, believes the announced Dec. 8-17 session is too short a time for making such big decisions. "I've been saying all along that I thought this was a rush to justice," the retired judge said.

"A week in December isn't sufficient time to even discuss the insurance crisis, much less anything else that might be added to the call. It never made sense to me, and now it's more obvious than ever."

Sen. Noble Ellington, D-Winnsboro, also wants the session delayed. "To be honest, I was going to try to put together a coalition to adjourn sine die as soon as we came into session. This was hastily called and not planned.

"They are talking about spending \$100 million on highways, and I haven't been consulted and I'm

the chairman of the (Senate) transportation committee.”

But House Appropriation Committee Chairman John Alario, D-Westwego, who, with his son, was on a tour of Italy led by his priest, said he did not think obtaining a two-thirds vote for expenditures would be that difficult. “It is hard to get a two-thirds vote to raise money.”

Even as chairman of the House Appropriations Committee, Alario has not seen the governor’s list of priorities. Nor does he know what legislators’ priorities would be. “They have to mesh.”

Adley said depending on how the session call is worded, legislators might open the door to other issues, such as restoring some of the so-called Stelly Plan income tax increases.

Blanco could open the door for other tax credits by including an item amending the tax code to allow for tax credits for child care and for Hines’s Bunkie area sugar cane farmers to help them with their transportation costs.

When you include one tax credit, “you open the door to other tax issues, such as restoring the deductions for mortgage interest and charitable contributions,” Adley said.

“The more somebody gives to their church, the more they pay in taxes to the state of Louisiana,” he said.

Under Louisiana tax law, you can take those deductions on your federal income taxes. But as you lower your federal tax liability, you increase your state liability.

“That’s crazy,” Adley said. “That’s going to be a fight for her.”

Alario agrees that legislators want to provide income tax breaks from the Stelly Plan, named for former state Rep. Vic Stelly, R-Lake Charles. “I’ve been hearing that. With as much money, there’s room for that.”