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Opposition to special session hits crescendo

Blanco floor leader joins critics, says plan is hasty, lacks input

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By Jan Moller

BATON ROUGE -- Gov. Kathleen Blanco's plan to hold a special lawmaking session later this month was thrown into jeopardy Friday when her hand-picked Senate floor leader joined a chorus of government watchdog groups and a bipartisan group of legislative leaders in urging that it be postponed or canceled.

In a letter to the governor, Senate President Donald Hines, D-Bunkie, said the Legislature has not had enough time to plan for the 10-day session tentatively scheduled to start Friday. "I believe the decision to call the session was hastily made, the session has been poorly planned, and the planning for the session lacks legislative input," Hines wrote.

Blanco had sought the pre-holiday session chiefly as a way to distribute more than \$1.6 billion in surplus money: \$827 million from the 2005-06 fiscal year and at least \$800 million in unanticipated revenue for the current budget year.

Although the exact amount of the windfall won't be known until a forecasting panel meets Tuesday, Blanco has already outlined a number of ways to spend the money.

In a statement released late Friday, Blanco said the session was planned in consultation with Democratic and Republican leaders and would go on as advertised.

"While it is regrettable that certain individuals feel that they may be inconvenienced by this session, I am convinced that most people will agree that it is important to deliver immediate tax relief to Louisiana businesses and families, refund the (Louisiana Citizens Property Insurance Co.) assessment paid by homeowners across our state, make a real investment to improve our roads and provide fair salaries to teachers, state employees and first responders," Blanco said.

Blanco is expected this weekend to issue a formal outline of the topics that can be debated during the session.

In airing his objections to the session, Hines joined a growing stampede of opponents that includes the Public Affairs Research Council and the Council for a Better Louisiana, both governmental watchdog groups, and Greater New Orleans Inc., a business and economic development group.

Spring session planned

Democratic and Republican leaders in the House also said there is no need to convene the Legislature before its regular 60-day session in the spring unless it's to address insurance issues.

PAR President Jim Brandt said the spending priorities Blanco has outlined deserve more discussion and scrutiny than they are likely to receive in a 10-day session. "These are major proposals," he said. "Each one by itself deserves careful analysis and thought, and to throw them all into the holiday spirit of gift-giving flies in the face of good planning and good prudence."

Complicating the political equation for Blanco is a 1993 state law that calls for a two-thirds vote of the House and Senate before the state budget can exceed a pre-set spending limit. According to the state Office of Planning and Budget, the budget for the fiscal year ending June 30 is currently only \$331 million under the \$10.3 billion cap.

State budget director Ray Stockstill said this is the first time the cap will be breached. "We have been close before, but we've never run into the magnitude of closeness that we are right now," Stockstill said.

As a practical matter, the cap means one-third of either the House or Senate will have the power to block any spending plan the administration puts forth -- giving Blanco's critics the kind of leverage they normally lack during budget debates.

Insurance reform demanded

"That means she's going to have to get a lot more consensus about what to do with the dollars than what she has right now," said Dan Juneau, president of the Louisiana Association of Business and Industry, who also called for the session to be postponed.

In his letter to Blanco, Hines warned that getting a two-thirds majority in the Senate would be difficult, "based on the sentiment of the members."

Rep. Jim Tucker, R-Algiers, who is chairman of the House Republican Caucus, said he doesn't think the Legislature should meet unless Blanco is prepared to bring a broad package of insurance reforms.

Blanco has said she wants to provide rebate checks for homeowners who've been assessed surcharges of 15 percent to 18 percent on their policies to bail out Louisiana Citizens, the state-run property insurer for people who can't buy policies in the private market. But other measures to address post-hurricane problems of access and affordability in the insurance market will have to wait until next year, the governor has said.

"It doesn't sound to me like there's going to be any insurance reform, and if so there's no reason to have a session," Tucker said. He did not say whether he would try to unite the 41 Republicans in the House in opposing Blanco's spending initiatives, but said he would push to have as much money as possible directed to "one-time" uses such as highway projects and paying down debt in the state pension plans.

Rep. Eric LaFleur, D-Ville Platte, who is chairman of the House Democratic Caucus, said he and other Democratic lawmakers urged Blanco in an early November meeting to postpone a session until early next year and to use the time to address the insurance crisis.

LaFleur said teacher pay raises and other popular spending initiatives can wait until the regular session. "You don't call a special session to deal with easy issues that can be dealt with at a later time," LaFleur said.

Spending priorities

Lawmakers are also divided on how to spend the money, however. While some Republicans are calling on the governor to avoid spending money on things such as pay raises that will have to be financed in ensuing years, some Democrats want Blanco to include health-care spending among her priorities.

In a Nov. 29 letter to Blanco, Rep. Cheryl Gray, D-New Orleans, called for spending some of the surplus on payments to hospitals that stayed open during Hurricanes Katrina and Rita, and to pay doctors for some of the costs they incur treating uninsured patients who can't pay.

Hines denied that his opposition to the session is retribution for Blanco's involvement in killing the \$135 million syrup mill that he had long been pushing. The State Bond Commission defeated the proposal in a 9-4 vote on Thursday, with the governor's allies on the commission playing a key role in the project's demise.

"I am a team player," Hines said. "It has nothing to do with that. It has something to do with two things: There has been no legislative input, and we are right up against that (expenditure) limit."

He said that the Senate is not in the mood to approve expenditures by a two-thirds vote even if the House is. "Let things cool off, and let us get involved," he said. "There has not been one Senate bill drafted, and we are a week away from the start of the session."

But House Speaker Joe Salter, D-Florien, said he was surprised by Hines' request to delay the session. Instead, he said, Blanco may seek to extend the time that lawmakers are in session to ensure some of the measures pass. "We need to proceed with our plans," Salter said.

Instant adjournment?

Sen. Noble Ellington, D-Winnsboro, said opposition to the session is strong enough among senators that they might try to adjourn the session as soon as it is gavelled to order -- a maneuver that requires a minimum of 20 votes.

"I think before Doc Hines' letter, the chances of that happening were slim and none," said Ellington, referring to Hines by his physician nickname. "But since his letter . . . there just may be the 20 votes to do that."

Barry Erwin, president of the Council for a Better Louisiana, also called on Blanco to scrub the session, saying that a 10-day session before the holidays "is not the appropriate way to decide how to spend \$1.6 billion." With the state budget pushing the expenditure limit, Erwin said that will make it harder for the Legislature to agree on anything.

"This (cap) makes it more difficult . . . and nothing would happen or something bad could happen," he said. He said the state must resist the temptation in a short session of "doling out a little bit of money to everybody, which results in no major impact for anybody."

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