



PAR report shows hurricanes' impact on state economy

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The Public Affairs Research Council released a national comparison of state and local budgets that highlights the impact of hurricanes Katrina and Rita on Louisiana's spending and revenue. *State and Local Revenue Spending: How Louisiana Compares Post-Katrina* shows that Louisiana experienced significant budget growth as a result of recovery spending and exceeded the national and Southern averages for per-capita revenues and expenditures by 2007. The report shows that in 2007 Louisiana's per-capita expenditures were higher than the Southern average in public welfare, hospitals, housing and community development, highways, police, corrections and interest on general debt. Louisiana's per-capita spending was below average in health care (excluding hospitals), higher education and elementary and secondary education. Louisiana was at five times the national average for housing and community development expenditures, which was a direct result of federal recovery funding.

After the hurricanes, Louisiana's per-capita revenues grew faster than the national and Southern averages because of an influx in disaster aid. By 2007, the state revenue rate rose to 196% of the national rate. Louisiana's per-capita tax collections were above the Southern averages in the general sales, individual income and corporate income categories, and below the South in the property tax category. For a copy of the report, click [here](#).