

Louisiana Federation of Teachers

Weekly Legislative Digest

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Steve Monaghan, President * Les Landon, Editor

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How to fill a \$1.6 billion hole without new revenue

The quandary facing lawmakers in this fiscal session is how to solve a looming \$1.6 billion budget deficit without raising taxes. In the previous seven sessions of the Jindal administration, legislators have sold property, swept existing funds of any surpluses and, most dangerously, cut funding for higher education.

As Sen. Eric LaFleur noted in a Senate Education Committee meeting, higher education has been cut by \$603 million since 2008. Even though tuition has been raised by 91% in the same period, he said, that's not enough to sustain our colleges and universities.

With Gov. Jindal threatening to veto any measure he considers a tax increase, lawmakers are scratching their heads about how to close the budget gap.

Sen. Robert Adley stepped up with his SB 177, which would repeal the property tax on business inventories. Even though that is a tax paid to local governments, it costs the state nearly \$500 million a year because Louisiana reimburses businesses for the cost. Sometimes the reimbursement is higher than the state taxes paid by the business.

Problem is, abolishing the inventory tax would do away with a major source of revenue for local governments, including school boards. That is why the LFT and our allies oppose the bill.

Sen. Adley tried to appease the opposition by pledging to come up with alternate funds for local governments before the inventory tax repeal goes into effect. His promise did not satisfy opponents, who testified overwhelmingly against the bill in the Senate Finance Committee.

The opposition was not enough to overcome support for the Adley bill, however, and the Finance Committee approved it on a 9-1 vote.

A report from the Legislative Auditor indicates that this bill will have zero impact on fixing the current year's budget deficit, and that the bill will end up costing almost \$479 million over five years due to the loss of revenue to the local agencies. In other words, while the state saves \$1.8 billion by no longer paying the inventory tax credit back to companies, the municipalities actually lose almost \$2.3 billion by not collecting the tax for a net loss in revenue of \$479 million.

With seven weeks left to go before the session ends on June 11, this will remain the legislature's biggest issue.

Telephone town hall on April 28 will discuss efforts to silence unions

A second telephone-based town hall meeting jointly sponsored by the LFT and the Louisiana Association of Educators, aimed at derailing efforts to silence public sector unions, will be held at 6 PM on Tuesday, April 28. Members of both organizations will automatically receive phone calls asking them to joining the meeting on Tuesday.

Spokesmen for the two organizations said that shocking information about the unfairness of legislation to ban payroll dues deduction of union dues will be revealed during the call. Following the town hall conference, members will have a chance to immediately be connected to their State Representatives' offices.

The bill to prohibit payroll dues deduction, HB 418 by Rep. Stuart Bishop (R-Lafayette), is slated to be heard on Thursday, April 30, by the House Committee on Labor and Industrial Relations.

Here are three ways to fight back by showing the legislature that we are united in support of the LFT, the LAE and other unions that represent teachers, school employees, firefighters, police officers and other public servants:

1. Visit the capitol at 11 AM on Thursday, April 30. Be there when the House Labor and Industrial Relations Committee debates HB 418. . If you have any questions in the meantime, just call 1-800-634-5089.
2. [Click on this link](#) and send an e-mail to your Senator and Representative. Tell them that you support the right of public employees to join and maintain union membership by paying dues through payroll deduction.
3. [Click this link](#) and send a letter to the editor of your daily newspaper. Your community needs to hear the facts about payroll dues deduction from their friends and neighbors.

Lawmakers thwart Common Core gambit

Lawmakers who oppose Common Coe were thwarted on Monday when an effort to bypass committee and bring one of their bills directly to the floor was rejected.

Rep. Brett Geymann (R-Lake Charles) asked the full House to consider his SB 373 as a "Committee of the Whole" instead of referring it to the House Education Committee. The bill would allow the legislature to review academic standards developed by the State Board of Education.

Based on a suspicion that the House Education Committee is solidly in favor of Common Core standards, Rep. Geymann sought to take the bill directly to the House floor. His plan was rejected on a 37-61 vote.

Bills allowing higher ed tuition and fee increases progress

Faced with a growing crisis in funding higher education, the House Education Committee grudgingly approved several bills that give institutions more authority over raising tuition and fees. Under current law, those hikes must be approved by the legislature.

HB 152 by Rep. Chris Broadwater (R-Hammond) would allow colleges and universities more latitude in raising fees. HB 160 by Rep. Steve Carter (R-Baton Rouge) would do the same for graduate schools. HB 66 by Rep. Thomas Carmody (R-Shreveport) would limit TOPS and allow for tuition increases by institutions.

Debate on the bills was sometimes rancorous, with legislators complaining that hikes in tuition and fees amount to tax increases on students and their parents. Even so, in the face of calamitous cuts to higher education, the committee approved all of the bills unanimously.

The House Education Committee also approved HB 462 by Rep. Kenny Cox (D-Natchitoches) which eases access to the career diploma and TOPS Tech.

Science education act repeal fails again

For the fifth year, opponents of a state law that critics say allows the teaching of creationism in Louisiana science classes beat back efforts to repeal the so-called Science Education Act of 2008.

Zack Kopplin, a 21-year old college student who has led the repeal effort since he was in high school, was hopeful that this would be the year to finally repeal the law that has made Louisiana a pariah to many scientific organizations – some have cancelled conventions in the state because of the law.

But on a 4-3 vote, the Senate Education Committee approved a motion to defer SB 74 by Sen. Karen Carter Peterson (D-New Orleans).

In other action, the committee ignored a veto threat from the Jindal administration and approved SB 48 by Sen. Jack Donohue (R-Mandeville) that would stop automatic increases to the TOPS program. If the bill passes, the legislature would have to approve any increases in TOPS payments when tuition is increased.

The bill was unanimously approved by the panel, even though a member of Jindal's staff testified against the bill.

The week ahead...

Monday April 27

The **Senate Retirement Committee** will hear SB 18 by Sen. Robert Adley (R-Benton), which would allow higher education employees to opt out of the Teachers Retirement system. LFT opposes the bill because it would increase the burden on the system.

The **House Ways and Means Committee** will hear HB 119 by Rep. Harold Ritchie (D-Bogalusa), which would increase the tax on cigarettes from 36 center per pack to \$1.54. LFT supports the bill.

Wednesday, April 29

The **House Education Committee** will hear HB 330 by Rep. Austin Badon (D-New Orleans), which would give the Department of Education authority to allow some vouchers schools more expansion than is permitted under current law. LFT opposes the bill.

Also in House Ed, HB 505 by Rep. Barry Ivey (R-Baton Rouge) will be heard. LFT opposes the bill, which would prohibit tenure from being granted to any teachers in the future and require annual employment contracts for teachers.

LFT will support HB 345 by Rep. Frank Hoffman (R-West Monroe), which calls for the teacher accountability subcommittee to remain in effect for another year.

LFT will support HB 411 by Rep. Ted James (D-Baton Rouge), a proposed constitutional amendment that would give the control of student admission standards to postsecondary education management boards rather than the Board of Regents.

In the House **Health and Welfare Committee**, LFT will support HCR 3 and HB 517 by Rep. John Bel Edwards (D-Amite) and HB 560 by Rep. Barbara Norton (D-Shreveport), which all deal with expansion of Medicaid under the Affordable Care Act.

The **House Labor and Industrial Relations Committee** will consider HB 418 by Rep. Stuart Bishop (R-Lafayette), which would revoke payroll deduction rights for collection of public sector union dues. LFT opposes the bill.

The **House Retirement Committee** will consider HB 42 by Rep. Sam Jones (D-Franklin), which would provide a 1.5% cost of living adjustment to members of the state's four retirement systems. LFT supports the bill.

LFT will support HB 43 by Rep. H. Bernard LeBas (D-Ville Platte), which would increase the salary cap that a retiree of TRSL who returns to work as a substitute from 25% to 50% of the benefit.