

The 2009 Regular Session of the Louisiana Legislature convened April 27th and adjourned June 25th. While we followed many bills throughout the session and advocated on many fronts, a bulk of our advocacy efforts were focused on bills that would impact health outcomes and the fiscal stability of our state. The bills of most importance in this realm included HB 889, the “Tobacco Tax”, SB 335 aimed at delaying of excess federal itemized deduction increase, and a handful of bills to eliminate the state income tax.

[HB 889, The Louisiana Healthier Families Act](#)

LANO supported HB 889 by Rep. Karen Carter Peterson which would have raised the tax on tobacco by 50 cents. We partnered with the American Cancer Society and many other groups and lobbied hard for the passage of this bill. Had it passed, HB 889 had the potential to:

- Encourage those who smoke to discontinue the unhealthy habit that leads to severe illness and death,
- shift the financial burden resulting from this unhealthy behavior and
- provide additional revenues for the state, during a time when the state faces budget shortfalls.

Our advocacy efforts included:

- The dissemination to the legislature and media of the report “Tobacco Tax Increase: Raise the Tax or Bear the Burden” by the Louisiana Budget Project (LBP)
- Budget project staff testimony in Ways and Means Committee on the findings of their report
- Participation in a press conference at the capitol on HB 889
- Conducted an online advocacy campaign in support of HB 889 that resulted in a minimum of 92 emails sent to legislators.

In the end, HB 889 was defeated on the House floor. LANO will continue to support legislation that results in positive health outcomes for Louisiana citizens.

[SB 335: Delaying implementation of excess federal itemized deduction increase](#)

LANO supported SB 335 by Senator Lydia Jackson which would have delayed the increase of the excess federal itemized deduction from 65% to 100% scheduled to take effect in tax year 2009. The bill would have also required the resulting \$118 million in retained revenue to be deposited into the Higher Education Emergency Fund to reduce budget cuts to Louisiana's public higher education system.

The Executive Budget for fiscal year 2010 recommended cutting \$431.6 million from the state general fund for higher education and replacing it with \$218.7 million of federal stimulus money. The result is a net reduction of at least \$217.5 million. The passage of Senate Bill 335 would have used the estimated \$118 million in retained revenue to replace more than half of the remaining reduction.

This bill would not have increased taxes on any population of the state. It would merely have frozen the current deduction by delaying the effective date of the deduction increase until 2012.

Our advocacy efforts included lobbying the legislature and an online advocacy campaign in support of SB 335 that resulted in a minimum of 30 emails being sent to legislators.

While SB 335 passed the Senate, it died on the calendar after reaching the House.

Proposals to Eliminate Income Tax

In response to a myriad of bills that proposed eliminating income tax in some form or fashion, LANO worked to inform legislative members of the fiscal implications these proposals would have. The LBP released two papers addressing the issue:

- “Eliminating State Income Tax: Good for Whom?”
- “Targeting Tax Cuts for Seniors”

Both papers were disseminated to the Legislature, the LBP listserv and made available on the LBP website. None of the bills aimed at eliminating income tax were passed.

Overview of other Critical Bills:

LANO supported several other bills this session that had the potential to impact the nonprofit sector and the communities we serve. While not all of our advocacy efforts resulted in success, many bills that have a positive impact on nonprofit organizations did pass and have been signed into law.

Bills signed into Law:

[HB 1 was signed by the governor and is now Act 10.](#) It is the state budget and provides for the ordinary operating expenses of state government for Fiscal Year 2009-2010.

When the necessary data is available, LBP will be releasing *Budget Basics*, a report that will analyze the operating budget and how budget cuts will impact services.

[HB 2 was signed by the governor and is now Act 20.](#) It provides for the comprehensive Capital Outlay budget. Nonprofits are eligible to receive this funding and several organizations received allocations in this bill. [Download our PDF](#) for more information on Capital Outlay and how your organization can apply for funding.

[HB 9 was signed by the governor and is now Act 456.](#) It ensures that lodging provided by homeless shelters is excluded from definition of "hotel" for purposes of sales and use tax.

[HB 521 was signed by the governor and is now Act 141.](#) It creates an advisory council to propose ways to eliminate obstacles to the effective delivery of governmental services to Latin Americans.

[HB 554 was signed by the governor and is now Act 295.](#) It provides that any person in coordination with the state or its political subdivisions who voluntarily provides care during a state of emergency shall not be civilly liable for causing death or injury to a person or property, unless the damage was intentional or caused by a grossly negligent act of the provider.

[HB 881 was signed by the governor and became Act 122.](#) Because it is an appropriations bill, the governor has line item veto power, and he issued a [veto message](#) that cut many appropriations to nonprofit organizations from the bill.

After the governor vetoed numerous line items in HB 1, legislators used HB 881 as a new instrument for the vetoed items.

[SB 167 was signed by the governor and became Act 487.](#) It requires not less than \$5 million of CDBG recovery funding to be allocated for emergency rental assistance if approved by the U.S. Department of Housing and Urban Development.

[SB 238 was signed by the governor and became Act 194.](#) It grants the Department of Social Services the legal authority to revoke a Child Care Center's license. It also creates the Louisiana Advisory Council on Child Care and Early Education and requires DSS to seek input and guidance from the council for any proposed rule or regulation which relates to licensure or standards of Class A and Class B child care facilities.

[SB 261 was signed by the governor and became Act 491.](#) It creates the Commission on Streamlining Government. The Commission is charged with examining each governmental agency's constitutional and statutory activities, functions, programs, services, powers, duties, and responsibilities to determine which of these can be eliminated, streamlined, consolidated, privatized, or outsourced in an effort to reduce the size of state government.

Bills not signed into Law:

Upon the convening, or "Sine Die" of the legislative session, a veto session is automatically scheduled to take place. A majority vote of either the House or Senate can cancel the veto session. The House decided not to hold the veto session Monday, July 27 when they received 53 votes against holding the session.

[HB 364 passed out of the House but died on the calendar in the Senate.](#) It would have put all federal monies received as a result of the American Recovery and Reinvestment Act of 2009 (ARRA) into a special fund, and the money would then be distributed out of the fund.

LANO supported this bill because it would have created more transparency in the way the monies are spent and made the impact of the federal dollars easier to track.

[HB 781 passed both the House and Senate overwhelmingly but was vetoed by the governor.](#) The bill would have created the program for homeless assistance and prevention, the position of director for homeless assistance and prevention, and the Louisiana Interagency Advisory Council for the Homeless. In his [veto message](#), the governor stated that he was concerned about the five-year fiscal note of \$656,841.

[SB 221 was vetoed by the governor.](#) It would have established the State Housing Tax Credit Program to authorize Louisiana Housing Finance Agency to provide refundable state income tax credits for low-income housing developments projects receiving reservations or allocations of federal low income housing tax credits.

[SB 228 passed the Senate but died on the House calendar.](#) It would have provided a tax credit for certain low income homeowners and residential lessees.

We would like to acknowledge the efforts of our lobbyist, Cindy Bishop, all LANO staff who contributed to our advocacy efforts, and the nonprofit sector for their tireless efforts this legislative session working for the greater good of sector and the communities we serve.