



LAE CAPITOL CONNECTION

Your weekly legislative update from the LAE lobby team

June 24, 2011

SINE DIE: THE 2011 LEGISLATIVE SESSION COMES TO A CLOSE!

As the legislature comes to a close, voters this fall will have the opportunity to decide on a constitutional amendment to place more tobacco settlement funds into the popular TOPS program and to extend permanently a 4-cent cigarette tax that otherwise will expire on January 1, 2012. This is the very same hotly debated cigarette tax renewal Governor Bobby Jindal vetoed just last week. After a failed attempt to override the Governor's veto of the cigarette tax renewal in the House, Representative Harold Ritchie tacked the tax renewal onto the TOPS legislation, thus making the cigarette tax veto proof. Proceeds from the extension of the cigarette tax will go to the state's Health Excellence Fund for health-care programs and services. Be sure to look over the "Big Bill Recap" piece below and click on the links to see how your legislators voted on LAE Priority Bills.

LEGISLATURE TACKLES STATE BUDGET

HOUSE BILL 1 is officially on its way to the governor's desk. This week, the House voted 101-0 to accept the Senate's changes to the main state operating budget for the fiscal year beginning on July 1, 2011. The Senate's amendments call for less one-time money than the governor originally proposed, and instead of selling prisons and shifting more costs onto the backs of state workers, cost reimbursements will now come from the federal government and other dollars. A full summary on **HB 1** will be provided by LAE Government Relations in the upcoming "Re-cap of the 2011 Legislature."

STATE FUNDING TO PUBLIC SCHOOLS OFFICIALLY FROZEN FOR THIRD STRAIGHT YEAR

Legislation to freeze public school funding for the third straight year won final approval this week. The aid package is authorized in House Concurrent Resolution 130, which cleared the Senate 38-0. It won House approval last week 87-4. Under the plan, public schools will get \$3.4 billion in state aid for the 2011-12 school year. That includes \$3,855 per student in state assistance. The freeze was requested by Governor Jindal and the state Board of Elementary and Secondary Education (BESE). Jindal and BESE leaders blame financial problems for the standstill in the budget.

"TEACHERS' RETIREMENT" BILL STALLS AT GOVERNOR'S DESK

SB 6 still sits on the governor's desk awaiting his signature. LAE supports this legislation that requires an employing agency that terminates its participation in TRSL to pay its proportionate share of the unfunded accrued liability, protects employers that remain in the system from having to pick up the cost of those employers that terminate participation, and provides fairness and equity by treating all employers in exactly the same manner.

"CORPORATION CHARTER SCHOOL PARTNERSHIP" BILL FAILS FINAL PASSAGE ATTEMPT BUT PASSES UPON RECONSIDERATION

Representative Steve Carter's bill, **HB 421**, would allow corporations to establish charter schools where half of the seats in the school could be filled by children of the corporation's employee. LAE has been opposed to this legislation, as it is not about serving students or public education; it's about serving limited corporate interests. The Lobby Team was pleased to hear that **HB 421** failed to pass the Senate with an 18-18 vote until Representative Steve Carter requested that the legislation be reconsidered. Upon reconsideration, the legislation obtained the number of votes needed to pass. The final vote was 22-16. See how your senators voted here:

<http://www.legis.state.la.us/billdata/streamdocument.asp?did=757631>

See how your representatives voted here: <http://www.legis.state.la.us/billdata/streamdocument.asp?did=748471>

“LOUIS RESOLUTION” HEADS TO THE GOVERNOR’S DESK

House Concurrent Resolution 129, brought forth by Representative Michael Jackson, urges and requests the Board of Regents to develop a permanent funding formula for LOUIS, the Louisiana Library Network, which shall include a centralized funding base from the Board of Regents, assessments to the management boards and individual user fees. LOUIS is the Louisiana Library Network, which is a partnership between academic libraries, state and private libraries, museums and archives. The system combines the collective resources to produce a dynamic library consortium. **LAE** supports this resolution, as we believe that it is the legislature’s responsibility to find the revenue to fully fund LOUIS. The Lobby Team was pleased to hear that the resolution passed both the House and the Senate.

SENATE RETIREMENT COMMITTEE REJECTS HIGHER ED “RETIREMENT CONTRIBUTION INCREASE” BILL

The Senate Retirement Committee voted 4-2 to involuntarily defer Representative Kevin Pearson’s bill, **HB 530**. The bill would have changed how retirement benefits are calculated for current higher education members of TRSL by computing employee benefits using their final average compensation over five years instead of the current three. The change would have resulted in lower pension checks for higher education retirees.

BIG BILL RECAP

- ✓ **HB 101**: sponsored by Representative Rickey Hardy would have removed due process rights for school bus drivers. **LAE** was in strong opposition to this legislation. **HB 101** passed committee and made its way to the full House of Representatives, where it failed final passage by a vote of 62 - 33. See how your representatives voted here: <http://www.legis.state.la.us/billdata/streamdocument.asp?did=748001>.
- ✓ **HB 112**: also known as the “anti-bullying bill” was sponsored by House Education Committee Chair Representative Austin Badon. The legislation would have prohibited the harassment, intimidation and bullying of a student by another student in public elementary and secondary schools. **LAE** supported this legislation. **HB 112** made its way past committee, but ultimately failed final House passage by a vote of 54-43. See how your representatives voted here: <http://www.legis.state.la.us/billdata/streamdocument.asp?did=748847>.
- ✓ **HBs 150, 151, 369 & 417**: These bills, also known as “Return to Work” bills, address the rehiring of certain reemployed retirees in the TRSL system to receive retirement benefits during reemployment. These bills offer school districts more flexibility in their ability to hire qualified substitute teachers. **LAE** supported all four bills. All “Return to Work” bills ultimately passed both the House and Senate Chambers after agreement was reached by both the House and the Senate to strip amendments to grandfather DROP participants and add an amendment that the measures will only take effect if **SB 6** — becomes law, which means that **Senate Bill 6** (the Unfunded Accrued Liability Bill) must avoid a veto by Governor Jindal.
- ✓ **HB 391**: sponsored by House Speaker Jim Tucker sought to create a single entity that would be responsible for governing higher education systems across the state. The bill called for the abolishment of the Board of Regents and other management boards, transferring their powers and duties to a newly created single entity. **LAE** and LSUnited opposed this legislation. The bill made its way through committee, but ultimately failed final passage in the House by a vote of 53 - 49. See how your representatives voted here: <http://www.legis.state.la.us/billdata/streamdocument.asp?did=756080>.
- ✓ **HB 454**: sponsored by Representative Joe Harrison would place a moratorium on medical sabbatical leave and extended sick leave. In the House, the **LAE** Lobby Team convinced Representative Harrison to amend the bill. Through the amendments, the bill now provides protections for employees in the application, certification and utilization of extended sick leave/medical sabbatical.
 - Prevents a school board from denying leave, if a certificate of medical condition is provided by a licensed physician for catastrophic illness or injury, defined as a life-threatening, chronic, or incapacitating condition affecting an employee or member of an employee’s immediate family.
 - Provides that the school board shall honor any approved leave that it approved prior to the date the minimum foundation program formula is approved by the legislature.

- Provides that the provisions enacted by HB 454 would fully sunset effective June 30, 2013, and revert back to its original state.

In addition, a provision that a school board must have a fund balance deficit greater than 5% and an unrestricted fund balance of less than 7.5% at the beginning of the fiscal year before denying sabbatical and extended sick leave requests was added on in conference committee and approved by both the House and Senate before adjourning Sine Die on Thursday afternoon.

- ✓ **HB 479:** sponsored by Representative Kirk Talbot proposed an increase in state employee contributions to their pension plans. The legislation would trigger a 40 percent increase in what more than 50,000 state employees contribute to their retirement. **LAE** opposed this legislation.
- ✓ **HB 559:** sponsored by Representative Rosalind Jones, required public school governing authorities to publish certain information on their websites. **LAE** supported the legislation until it was amended in committee by Senator Conrad Appel to require the publishing of any proposed collective bargaining agreements between the school board and its employees. Representative Jones disagreed with the amendments and deferred her bill in committee. She instead amended **SB 67** (student discipline bill) to tack on the language from her original bill. **SB 67** passed with Representative Jones' amendments included. **LAE** supported this legislation.
- ✓ **HB 591:** sponsored by Representative Ritchie would have renewed four cents of the 36-cent state sales tax on a pack of cigarettes. **LAE** supported this legislation. **HB 591** made its way past the full house and senate and was sent to the governor where it was vetoed. Representative Ritchie made an attempt to override the veto but the attempt failed by a vote of 58-44. Representative Harold Ritchie then tacked the tax renewal onto the **SB 52** (TOPS legislation), making the cigarette tax veto proof. See how your representatives voted on **HB 591** here: <http://www.legis.state.la.us/billdata/streamdocument.asp?did=756462>.
- ✓ **SB 12:** sponsored by Senator Butch Gautreaux proposed a 2nd tier of retirement benefits for state and statewide retirement systems at the option of the employer. Participation in tier 2 would reduce retirement benefits while increasing cost to employee; this would apply to all school employees. Senator Gautreaux graciously deferred his own bill in committee. The bill was deferred for the remainder of the session. **LAE** was in strong opposition to this bill and thanks Senator Gautreaux for protecting retirement benefits and not increasing the cost to educators.
- ✓ **SB 67:** sponsored by Senator President Pro Tem Sharon Broome proposed trimming public school suspensions for certain students. Changes would only apply to students from K-5 facing uniform and tardiness penalties. The Senate passed the SB 67 with a vote of 25-10. See how your senators voted here: <http://www.legis.state.la.us/billdata/streamdocument.asp?did=751788> See how your representatives voted here: <http://www.legis.state.la.us/billdata/streamdocument.asp?did=758015>
- ✓ **SB 201:** sponsored by Senator Jonathan Perry would delay the implementation of the new BESE-enforced letter grade system, which would assign performance-based school letter grades to public schools (including charter schools) and school districts. **LAE** was in favor of this legislation. **SB 201** was discussed in the Senate Retirement Committee where it was defeated.