Edwards seeks budget ideas

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Faced with a $1 billion budget deficit in the coming year, Gov. John Bel Edwards has set off a series of stakeholder meetings to build a plan for shoring up the state's finances.

"We have an obligation to the people of Louisiana to come together to avoid the fiscal cliff that is quickly approaching," Edwards said in a statement Tuesday, shortly after a closed-door meeting with a group of more than 20 business leaders in his office on the fourth floor of the State Capitol.

Last year, lawmakers approved a temporary 1-cent sales tax increase to plug the state budget until a more long-term solution could be found. The state Legislature was expected earlier this year to begin tackling various tax proposals meant to offer stability to the budget, which has, for years, been plugged through temporary spending measures. None of the ideas passed during the regular session earlier this year, which means it's likely lawmakers will have another special session next year to consider new proposals.

In recent months, state leaders have attempted to pare back spending to lessen the need for additional revenue.

Edwards said he also believes that the state's economy is rebounding, which will help provide stability.

"We have more work to do to sustain the recovery and build a strong foundation for future growth," Edwards said.

Business leaders who attended the meeting included executives from BP America, construction firms, the banking industry, AT&T and CenturyLink and Nucor Steel, among others.

"Their input is critically important as these business leaders are on the front lines — creating jobs and working to build a strong economy," Edwards said in a statement. "It's their ideas, combined with the input from legislators and other community leaders that will, hopefully, guide us as we look for consensus to avoid the fiscal cliff."

Edwards, a Democrat who took office in January 2016 and convened lawmakers in a special session just months later to address a nearly $1 billion budget deficit that was to be followed by a $2 billion deficit in the following year, faced pushback earlier this year when he unveiled a revenue-shoring plan that relied on a "commercial activity tax" that had not previously been discussed. The idea was rejected without even getting a committee vote.

Edwards also pointed to a task force that met over several months and developed a series of recommendations as a possible guide to addressing the state's finances.

Republican House leaders said they first wanted to work on cuts to the budget, rather than taxes.

Edwards spokesman Richard Carbo said that the governor plans to have more meetings with business leaders across the state in the coming weeks to develop ideas and build support.

"A good amount of the conversation (Tuesday) centered around the task force recommendations, and this is a group the governor hopes to convene again in the future," Carbo said.

Edwards also is expected to hold meetings with legislators in their districts, as well as meet with community groups, including the Council for a Better Louisiana, Together Louisiana and the Committee of 100.

"The governor realizes the sense of urgency to develop a plan that everyone can live with, and since there was no action taken by the legislature this session, these conversations have to happen now," Carbo said.