

'EPIC FAILURE'

Lawmakers unable to reach budget deal Special session required to address state finances

BY ELIZABETH CRISP

After a dramatic breakdown in budget negotiations, the Louisiana Legislature finds itself in a familiar place: addressing the state's finances in a special session.

Lawmakers ended the 2017 regular session at 6 p.m. Thursday, but a deadlock between the House and Senate over how much money the state should spend doomed the budget that begins July 1.

"We just witnessed an epic failure in leadership," Gov. John Bel Edwards, a Democrat, said after the session ended in a chaotic meltdown that left people on all sides directing blame at one another. "The budget agreement was not met, and we're now headed into an unnecessary and costly special session where the options before them won't be any different than they were this time."

The special session, which costs an estimated \$60,000 per day, must end by June 19.

The House quickly moved to end the first day of the special session and return on Monday to begin the budget process anew. The Senate, which relies on the House to take initial action on the budget, isn't scheduled to return until Wednesday.

The regular session came to an emotional end in the House that included shouting and unusual maneuvering but ultimately no agreement between the House and Senate over how much the state should spend in the budget that begins July 1.

Meanwhile, senators and spectators crowded the chamber to watch the House meltdown unfold.

The Senate would not agree to spend less than the money that is estimated to be available in the coming budget cycle. The House refused to spend the full amount.

Locked in a dispute over about \$50 million, lawmakers will now have to attempt to reach a compromise in a special session that began 30 minutes after the end of the regular session.

Edwards blamed "a few" in the House for the Legislature's failure to reach an agreement.

"We now have a majority of the House that wanted that budget, and I am disheartened that the destruction of a few has left us empty-handed," he said.

Senate budget negotiators said throughout the day that they believed they could get the House to agree to a spending plan that would encourage agencies to pare back \$50 million in the coming year without putting those cuts into the budget document. The Senate passed a resolution directing that money be held back in case it's needed to cover a shortfall in the coming year. Ultimately, the \$50 million separating the two sides wasn't enough to overcome.

"Petty politics got in the way of adopting a very good, reasonable, conservative, austere budget," said Senate Finance Committee Chairman Eric LaFleur, D-Ville Platte. "It became about who were we going to try to hurt politically, who were we going to try to help politically? And, in the mix of all that, the biggest losers are the taxpayers because we didn't adopt a reasonable budget and we are going to cost the taxpayers another whatever over the next couple of weeks and come back here and basically repeat the entire conversation we just had for the last couple of months."

Meanwhile, House leaders laid blame on the Senate, which they said refused to shift closer toward their position.

House Appropriations Committee Chairman Cameron Henry, R-Metairie, said the House repeatedly adjusted its offer, settling on cutting an additional \$100 million from the budget that the Senate would not agree to. "We split the difference," he said.

He pointed the blame at Edwards. "The governor hasn't moved one inch on anything," Henry said.

Leaders in the House and Senate on Thursday had expressed hope that the special session wouldn't be needed.

Legislators left the State Capitol shortly after the special session began at 6:30 p.m., many of them voicing frustration over the breakdown that necessitated their fourth special session in less than two years.

"It was our responsibility to get it done, and we didn't," said

Senate President John Alario, R-Westwego.

Both the House and Senate had agreed on several key budget points. Both plans sought to fully fund the popular Taylor Opportunity Program for Students in the coming year and would trim most agencies by about 2 percent.

The Senate's version of the budget had sought to prevent House-proposed cuts to higher education, prisons, social services and health care. It also sought to give modest pay raises to some low-level state employees, many of whom have not had pay raises in a decade.

In the final minutes of the session, House Democrats attempted to get a vote on the Senate version of the budget, but they were procedurally blocked by a ruling from House Speaker Taylor Barras, a New Iberia Republican who, along with Henry, had refused a deal with the Senate.

Barras left the chamber without speaking to reporters Thursday evening.

The budget process will restart with action in the House Appropriations Committee. Henry said the bill will start from scratch, but he is planning to again push for \$206 million to be unspent. Henry and other House Republican leaders repeatedly have pointed to the state's 15 midyear deficits in the past decade as justification for not spending some of the revenue that is projected to be available.

The Legislature also must approve its construction spending budget in the special session because, though less controversial than the annual budget, it didn't pass before the session ended.

That legislation is expected to remain largely the same in the special session.

Tyler Bridges, Rebekah Allen and Will Sentell, of The Advocate Capitol news bureau, contributed to this report.