



New Orleans Coalition Recommendations on 7 Louisiana Constitutional Amendments (CA) on the November 3, 2020 Ballot

Constitutional Amendments (CA)	Recommended Vote
1. <u>Constitutional Amendment 1</u>	No
2. <u>Constitutional Amendment 2</u>	Yes
3. <u>Constitutional Amendment 3</u>	No
4. <u>Constitutional Amendment 4</u>	No
5. <u>Constitutional Amendment 5</u>	No
6. <u>Constitutional Amendment 6</u>	No
7. <u>Constitutional Amendment 7</u>	No

Dear New Orleans Coalition Members,

The Board of the New Orleans Coalition voted to send you the following guide to their thinking on how to vote on the 7 Amendments. Below is an explanation. President Anita Zervigon-Hakes studied them for the Board, since we had so many requests for how to vote from our membership.

EXPLANATION OF RECOMMENDATION

1. **No right to Abortion** - Defines that nothing in the Constitution protects a right to Abortion. Right to abortion is codified law since Roe V. Wade I (1973). Louisiana has already passed legislation that would deny a right to abortion if the Supreme Court overturned Roe v. Wade. This is another unneeded piece of legislation to undermine a woman's right to choose. **Recommend No**

2. **Oil and Gas Well Assessment** - We worry that Oil and Gas businesses especially the larger companies, are adept at hiding income and assessors lack the resources or knowledge of the industry to fairly determine value of leases and extraction. We are such a poor state, not because we lack resources, but because we give businesses so many tax breaks. (A vote no on this is justifiable if you fear it gives the industry too much power over how much they pay in taxes). The reasoning does make sense in that there are all sizes of oil and gas businesses in our state and it might be fairer for smaller companies.

Recommend Yes

3. **Rainy Day Fund and Disasters** - CA3 would allow the LA legislature, through a 2/3rd vote in each chamber, to use up to 1/3rd of the revenue in the Budget Stabilization Fund (Rainy Day Fund) to cover state costs associated with a federally declared disaster. This would rob the state of critical funds it may need. The Rainy Day fund is meant to cover revenue shortfalls. Our legislature is averse to providing revenue, and Rainy Day funds are critical to maintaining some modicum of stable funding for services for all citizens. With pressure from constituents when disasters hit, the Legislature is more likely to find the dollars needed through temporary taxes. They are less likely to find funds to stabilize programs that cannot meet annually required funding due to an economic "downturn". **Recommend No**

4. **State Budget Expenditure Limit** - According to PAR a vote for this CA would result in probable slower growth. Currently, there is a limit on state general revenue funding (currently the limit is 14.3 billion) and if exceeded, it must be "remedied". This is a constitutional expenditure limit that is adjusted yearly, based on

changes in average personal income, or a 2/3 vote of the legislature. The limit does not apply to federal money expenditures, state surplus dollars or higher education tuition & fees. **Recommend No**

5. Business Payments Instead of Property Taxes to Local Jurisdictions – This CA is purposefully and deceitfully worded to obscure that it is an Industry backed and written amendment to have a method for industry to rid themselves of Property taxes. Property taxes produce a critical source of stable funding for local schools and infrastructure. The proposed CA invites corruption of local officials, allowing the bypassing a stable fair tax structure. An agreement between localities & businesses over-riding property tax liability would be in place for 25 years. It undermines the ability of jurisdictions to plan and use property taxes of businesses to augment educational, infrastructure (roads, bridges, local hospitals, etc.). This Amendment failed 3 times previously when localities were not in a pandemic shutdown and this year lacked citizen scrutiny and input. It would severely effect parishes in Cancer Alley (St Charles and St Johns) who have just begun to receive funds from the billion dollar foreign companies that pollute their air and water. Similar bills were defeated in the 2017 and 2019 LA Senate. Sorry TJ Morrell who had some clout was not there to do it again. **Recommend No**

6. Expand Property Tax Freeze for higher income elderly – The current eligibility for a Property tax freeze is \$77,030 or less; it would rise to \$100,000. It adjusts yearly for inflation – was \$50,000 in 2001. Our population is aging. The number of retirees is growing, and more are working longer. The elderly (over 65) are a greater proportion of the population. The result is that younger families would be penalized, fewer people will be paying full property taxes in a state that has a low tax base, relies on regressive sales taxes, does not allow localities to have an income tax, and is in dire need of funds for basic services.

Recommend No

7. New Fund for Unclaimed Property Protection: This CA is unnecessary and deprives the state of woefully needed resources. The new law would put unclaimed property in a new trust fund allowing only interest accrued to be available to the state General Revenue fund. It thereby reduces the amount of income the state has available to put in General Revenue. Argument is that this is money belonging to people and there is an uptick in clams. If all claimed, the state may need to pay out \$ 900 million. For 47 years, the current law has given people their unclaimed funds, but since many do not claim these dollars, the state uses the excess to pay down I49 bonds, (\$15 mil.), 2.5 mil for administration, and what is left (around \$12 Million) for state general revenue funds). This program has worked well; we have exceeded the \$900 Million in state investment and it would be a good thing if the legislature had to “cough-up” money for citizens. Our state has few sources of revenue and to lessen this source of funds is unnecessary.

Recommend No

*Note. The opinions were made after studying the **PAR Guide to the 2020 Constitutional Amendments**, a **ZOOM forum held by Together New Orleans on CA 5**, and **Ballotpedia** which has a writeup on the web with other groups input on for or against and their rationale.*