

COALITION CALLS FOR RESPONSIBLE BUDGET, TAX RELIEF

During this legislative session, Louisiana lawmakers have a unique and significant opportunity to make a real difference for the future of Louisiana. To that end, the coalition of nonpartisan organizations below are asking lawmakers to adopt a responsible budget for FY2024 and utilize both the previous year surplus and the current year excess funds without breaking the spending cap to increase the base budget.

As the budget process continues, the coalition supports the following principles:

- Avoid exceeding the expenditure limit to grow government.
- Fully fund the Rainy Day Fund to save for the future and hit revenue triggers in order to lower individual income and corporate franchise taxes as promised.
- Pay down long-term debt to free up future budget resources and invest in our state workers' retirements.
- Ensure spending of one time surplus and excess revenues are on genuinely shovel-ready transportation and infrastructure projects.

According to the Pew Trusts, Louisiana has the 11th lowest Rainy Day Fund balance (as a percentage of state budget), and increasing savings is an important goal in and of itself. Ensuring the state has ample financial reserves to weather economic downturns and be fiscally responsible in tackling big, fundamental reform of the state's tax code is critical. A robust Rainy Day Fund gives lawmakers flexibility for reform, is sound fiscal policy, and provides stability and security to the state budget.

Ensuring taxpayers in Louisiana get tax relief through the fulfillment of the final condition necessary to meet the tax rate reduction triggers promised to voters in 2021 is also essential. Hitting these triggers will lower income tax rates for every individual and small business taxpayer in our state. Additionally, doing so will reduce our state's punishing franchise tax. All of this will yield economic growth and create new jobs and opportunities for Louisiana families.

We urge the Louisiana Legislature to adopt a responsible budget with these principles in mind. We believe this will set our state on a path toward a solid fiscal future, creating a foundation for economic growth and prosperity for all Louisianans.

