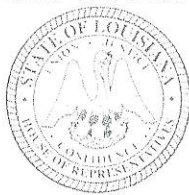


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JOHN M. SCHRODER, SR.
State Representative ~ District 77

*Chairman of Homeland Security
*Appropriations
*Joint Legislative Committee
on the Budget
*House & Governmental Affairs
*Military & Veterans Affairs
*House Executive Committee
*Task Force on Legal
Representation in Child
Protection Cases

October 11th, 2016

Dear Secretary Robinson and Dr. Richardson,

I would first like to thank the Task Force on Structural Changes in Budget and Tax Policy for all the hard work each volunteer member has put into the process. I know there have been many long meetings discussing the issues that face the state in order to find solutions for the legislature to propose that are of benefit to the residents of Louisiana. While the task you were assigned is overwhelming, the work you are doing will help set state policy for years to come. I also want to thank you for taking time out of your busy schedules to meet with me on the progress of the task force and your preliminary recommendations. Based on our meeting and subsequent conversations with my colleagues, a couple concerns were conveyed and I am hopeful they will be addressed in the final report.

HCR 11 charged the task force with reviewing and making recommendations on tax policy and long-term budgetary changes. However, most of the focus by the task force thus far and the preliminary findings are related to tax policy with little information on the budget structure. In the 2017 session, the Louisiana Legislature will be faced with hard decisions to overcome the fiscal cliff in Fiscal Year 2019. Our options to resolve the fiscal cliff are to decrease expenditures, increase revenues, or some combination of the two. Therefore, I request that the final report be balanced between budget and tax policy, including any options for reducing expenditures.

Also, it appears the task force is targeting a specific amount of revenue to raise instead of making recommendations to give Louisiana the most efficient and fair tax policy for individuals and businesses. The resolution directed the task force to make recommendations of changes to the state's tax laws "in an effort to modernize and enhance the efficiency and fairness of the state's tax policies for individuals and businesses." Without reviewing the states budget process in detail and recommending long-term budget changes that may produce savings, I'm not sure how the commission can recommend a target amount of revenue. Recommending tax changes based on a target amount of revenue does not ensure we have the most efficient and fair tax structure. Therefore, I ask that the final recommendations by the task force to focus on budget reforms and the most efficient and fair tax structure as directed by HCR 11, independent of the amount of revenue the task force thinks should be raised.

Again, thank you for all your hard work and I look forward to seeing your final report.

Sincerely,

A handwritten signature in blue ink that reads "John M. Schroder Sr." with a stylized flourish at the end.

John M. Schroder Sr.
State Representative
District 77