

## Daily Report

THIS AFTERNOON'S HEADLINES / FRI, MARCH 20, 2009

### Capital Region legislators pushing seven projects totaling \$318.5 million

The Capital Region Legislative Delegation met with Gov. Bobby Jindal today to discuss funding priorities for the 2009 session. The delegation is requesting state dollars for four road projects, in order of priority:

- \$15 million for Interstate 10 interchange ramps at Pecue Lane.
- \$90 million for widening Interstate 12 from Range Avenue to Walker, plus the Amite River bridge to Range portion of I-12 that was left out of the current project.
- \$72 million for widening Interstate 10 from Siegen Lane to Highland Road.
- \$4 million for I-10 interchange ramps at Commercial Drive in West Baton Rouge Parish.

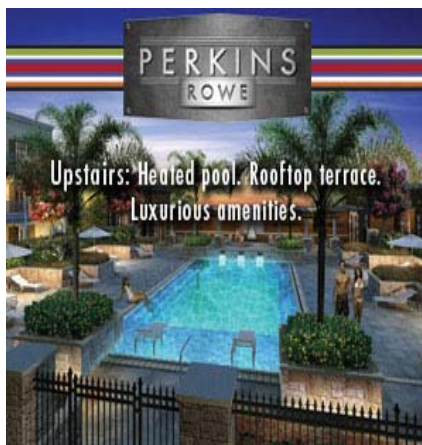
The delegation also asked for three education infrastructure projects:

- \$7.5 million for water line replacement at Southern University.
- \$10 million for LSU to buy land near the South Campus.
- \$120 million for various Earl K. Long Medical Center projects.

The delegation supports the Baton Rouge Loop, but is not yet requesting money for the highway project. The delegation, which first met in March 2008, includes 25 legislators in nine parishes, not counting the open seat in State Senate District 16.

### January sales tax revenue up in EBR

East Baton Rouge Parish sales tax collections are off to a strong start for 2009, posting an 8.4% increase over the first month of 2008. Nearly \$12.6 million was collected in sales tax revenue during January, according to figures from the city-parish Finance Department. That's compared to the \$11.6 million that came in during January 2008. Vehicle sales continued to show softness, with the tax collections from car and truck sales down 24% from January 2008, to \$939,152. Sales outside the Baton Rouge city limits were responsible for the boost in tax collections. There was a 26% in revenues coming from outside the city limits, to \$6.1 million. That compares with a 4% drop in sales activity inside the city limits, a continuation of a trend that held true for much of 2008.



### Levine warns of coming crisis

With a hole in the state budget and Democratic administration in the White House, will state Department of Health and Hospitals Secretary Alan Levine's plan to revamp health care in Louisiana—which took a lot of work to put together—ever get out of the starting gate? Expanding Medicaid, a central piece of the plan, may or may not happen depending on what President Barack Obama does in terms of national health care policy. Changing how Medicaid works requires a waiver from the federal Centers for Medicare & Medicaid Services, and CMS is experiencing a temporary post-election leadership vacuum. Other pieces, such as the disease management program Levine wants to set up, don't require a waiver. "It's not all or nothing," he says. The federal money known as disproportionate share funds, in which Louisiana gets to help pay for medical care for the uninsured, is being reduced significantly next year, making it all the more critical that the state find efficiencies in its Medicaid program. In 2004, Louisiana spent 10% of its budget on health care, while this year it was 22%, Levine says. "Next year we'll have a \$456 million hole to plug," he says. "If we wait until next year or later to deal with efficiency issues, we'll have a crisis of our own making."—**Steve Clark**

## Schlumberger adding 400 jobs in Shreveport

Schlumberger Ltd., the world's largest oil field services company, is expanding its operation in Shreveport, a move that will create 400 new jobs. The company announced today it would renovate a 250,000-square-foot warehouse in the city, converting the space into maintenance shops, lab facilities and office space. The \$48 million project, which will take a year to complete, will create 250 construction jobs. Shreveport is close to the Haynesville Shale, a major natural gas find and considered one of the largest new domestic fields in years in the United States.

## New La. jobless claims remain steady

Initial claims for unemployment insurance in Louisiana remained virtually unchanged last week, but were still nearly double the number from a year ago, the Louisiana Workforce Commission reported today. For the week ending March 14, there were 4,526 new claims, just seven fewer than the previous week. For the comparable week of 2008 that ended March 15, there were 2,337 initial claims for jobless benefits, the agency said. The figure for the week ending March 7 represented a 29% jump over the week before. Last week also showed an increase in continuing claims with 41,230, compared with 41,112 the previous week and 21,320 for the comparable week of 2008. For the latest week, the construction segment produced the most initial claims with 822, followed by wood products manufacturing with 365, retail trade with 312, health care and social assistance with 290, administrative services with 259, hotels and restaurants with 235, petroleum with 229, professional and technical services with 221 and transportation and warehousing with 204.

## College funding changes raise questions

Louisiana lawmakers say they're worried—and some unhappy—about plans to use a new formula for doling out state dollars to public colleges. The state's higher education commissioner says a phase-in of the formula will begin with the start of the new budget year on July 1, at the same time the colleges are proposed for \$219 million in cuts. The new formula would reward schools that graduate more students and hit other performance measures, rather than just dole out dollars based on student enrollment. Lawmakers on the joint House and Senate budget committee say they worry that using the new formula as the schools are forced to make budget cuts could mean some colleges take a much harder hit than others.

## Get news of Richmond canvass trip via Facebook

The city of Baton Rouge and the Baton Rouge Area Chamber will be heading out on their annual canvass trip Sunday. *Business Report* Executive Editor JR Ball is one of the attendees making the two-day trip to Richmond, Va. If you can't make the trip to Richmond—or if you're there and want to know what's really happening—you can follow his postings on *Business Report's* Facebook page. Click [here](#) to become a friend of *Business Report*.

## NCAA Tournament roundup: Oklahoma State eliminates Tennessee ... Marquette edges Utah State ... Syracuse wins first tourney game in five years... Defending champ Kansas holds off North Dakota State

**Eaton lifts Cowboys:** Byron Eaton found a clear path to the basket for a three-point play with 7.2 seconds left today, lifting Oklahoma State (23-11) to a 77-75 victory over Tennessee (21-13) in Dayton, Ohio. Tennessee (21-13) got caught flat-footed, allowing Eaton to drive the lane untouched. Tyler Smith came in late and unsuccessfully tried to block the shot, which fell through the net as Eaton tumbled to the floor after the contact.

**Hayward powers Golden Eagles:** Lazar Hayward scored 26 points, and Marquette (25-9) hit 10 straight free throws down the stretch to hold off Utah State (30-5) 58-57 in Boise, Idaho. The Golden Eagles blew a 14-point lead, then overcame a 49-43 deficit. Hayward spurred the comeback, muscling for key baskets and rebounds and drawing a couple of big fouls.

**Orange too strong:** Jonny Flynn scored 16 points, and Rick Jackson and Arinze Onuaku each added 12 and third-seeded Syracuse (27-9) cruised past NCAA first-timer Stephen F. Austin (24-8) 59-44 in Miami for its first tournament victory since 2004. Syracuse ran out to a 20-4 lead over the overmatched Southland Conference champs, who missed 12 of their first 13 shots and started a mind-numbing 0-for-15 from 3-point range.

**Collins keys Jayhawks:** Sherron Collins scored a season-high 32 points to help defending NCAA champion Kansas (26-7) hold off tournament newbie North Dakota State (26-7) 84-74 in Minneapolis. Ben Woodside played all 40 minutes and scored 37 points for the Bison, which was within three points several times down the stretch but couldn't clear that last hurdle.

## Five great spots to savor spring

With spring comes longer days, warmer weather and an increasing need to get outdoors and enjoy all Mother Nature has to offer. Whether you're looking for a nice scenic stroll, an afternoon picnic or a serious hike, 225 has five local gems sure to satisfy your spring fever, from Highland Road Park to Port Hudson. Get inspiration for your springtime afternoons [here](#).

## News roundup: Lottery transfers to state running slightly ahead of previous year ... Pennington search firm to hold first meeting Thursday ... Are mortgage rates at the bottom?

**Big winner:** Through the first seven months of the fiscal year, the Louisiana Lottery Corporation has transferred \$87.7 million to the state treasury, a 2% increase over the same period in fiscal 2008. For February, the lottery posted revenues of \$34.1 million and sent \$11.9 million to the state.

**Looking for a new leader:** The first meeting of a committee charged with finding a new executive director for Pennington Biomedical Research Center will be Thursday afternoon. The committee is looking for a replacement for Dr. Claude Bouchard, who announced Wednesday he was stepping down after 10 years as executive director in order to make room for new leadership and go back to research full-time.

**Can't get no lower:** If you're holding off on buying a house in the hopes of getting a lower mortgage rate, the *Wall Street Journal* says you should probably give up. Lenders are quoting 4.75% on 30-year-fixed rate mortgages, down from about 6% in November. Economists told the newspaper that the rates should stay around that for the rest of the year, for borrowers with good credit. A decline in the number of small mortgage lenders will keep rates from going lower, as well as a reluctance from big banks to give deeper customer bargains. Read the story [here](#). **(Registration required)**