



2005 BUSINESS ISSUES

The Program of Work

2005 Principal Goals

- Preserve existing strengths in Louisiana's civil justice system and safeguard the exclusive remedy feature in Louisiana's workers compensation system
- Promote increased oil and gas exploration and production by removing government-imposed obstacles
- Maintain the integrity of employer-funded funds, and ensure that Unemployment Compensation Trust Fund or Incumbent Worker Training monies are spent according to their original intent
- Strengthen our ability to create and retain jobs by promoting a fair, stable and equitable tax system
- Lower the high cost of health insurance in Louisiana by supporting reforms designed to:
 - 1) reduce or eliminate mandated health care benefits;
 - 2) lessen the impact of litigation on health care costs;
 - 3) reduce the health care cost shifting from the public sector to private employers;
 - 4) provide fair, reasonable and appropriate incentives for employer-provided health insurance; and
 - 5) replace the state's archaic indigent health care system with a more cost effective method of providing necessary medical services to the poor.
- Support the reduction of the regulatory burden on all businesses, especially small businesses.

POLICY STATEMENT ON COMPETITION

LABI supports a free, open and diverse marketplace that encourages competition in all areas of business and industry. LABI believes that competition benefits consumers by providing them with more choices. LABI opposes any government-imposed ban on businesses engaging in commerce, and it also opposes predatory practices designed only to drive out competition, not to enhance consumer choices. LABI further believes that direct government competition with the private sector for the provision of goods and services is antithetical to the concept of free enterprise. Additionally, LABI supports a strong public bid law at the state and local levels to ensure fairness and fiscal integrity in the use of taxpayers' dollars.

Issues Are Classified As Follows:

Major Issue —

Those items LABI will strongly support or oppose, and take the lead in the effort.

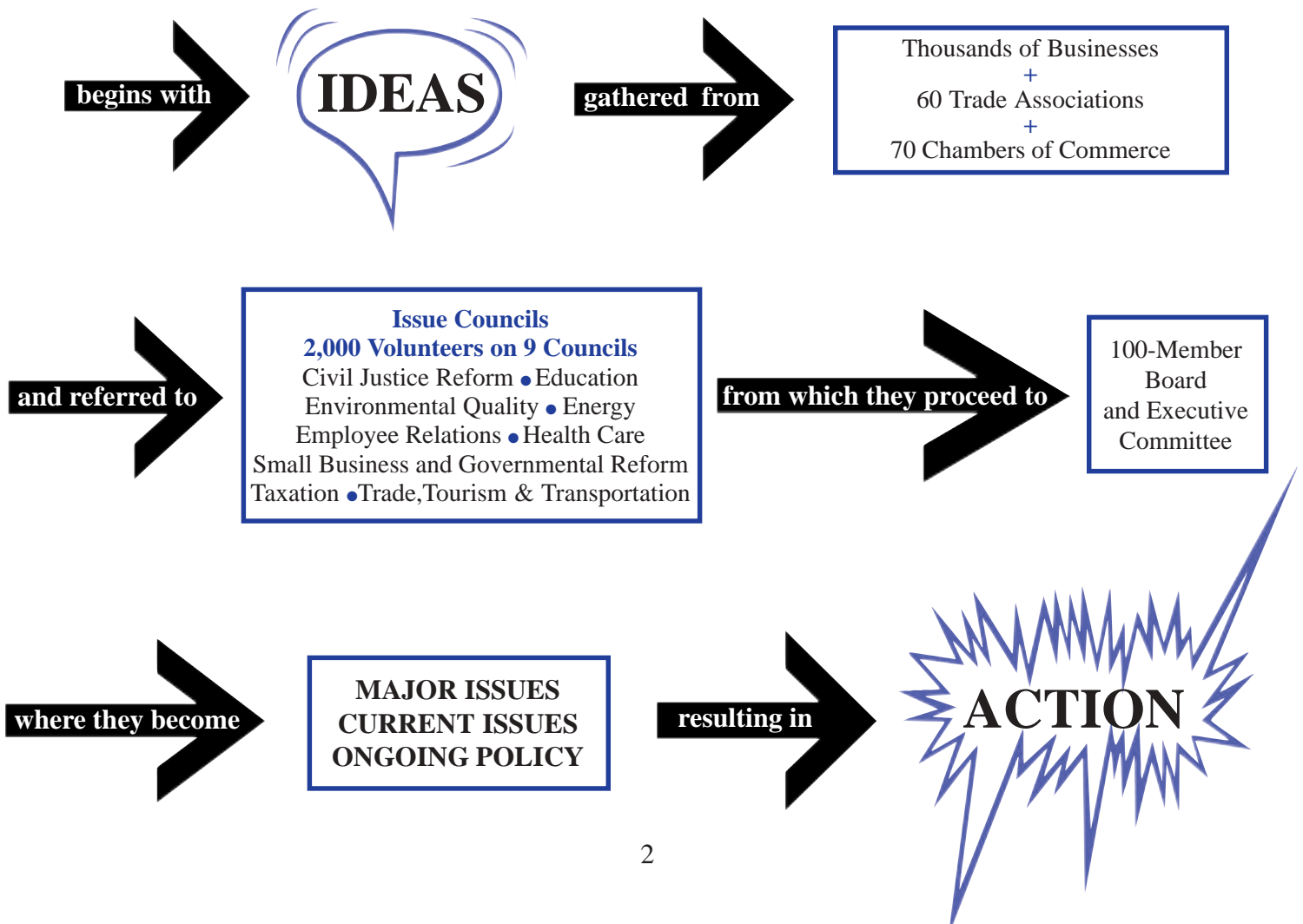
Current Issue —

Those items on which LABI has a position and which may be addressed during the year by the Legislature and/or regulatory agencies.

Ongoing Policy —

Items on which LABI has taken a position, but which are not anticipated to be addressed during the year. A new item could appear in this category if a council/task force takes a position but does not feel it falls in higher priority categories. Oftentimes, “ongoing” issues are statements of principle.

The LABI Program Development Process



CIVIL JUSTICE REFORM

Liability exposure is a major concern to individuals, government, professionals and businesses, both large and small. The Legislature has heard those concerns and has brought about some much needed changes to our civil justice system. We will fight to hold on to the gains made and to continue improving our system, while monitoring our courts' interpretations of pertinent laws.

MAJOR ISSUE

Civil Justice Reform Defense

The Issue: Louisiana citizens and businesses deserve a predictable, level playing field in our civil justice system.

LABI Position: Defend existing strengths in Louisiana's civil justice system and support legislation to rectify jurisprudential erosion of current law and excessive judgments, which are detrimental to the state's economic development initiatives.

Reasoning: In recent years, many bills have been passed to restore balance to our state's civil justice system. These gains must be maintained for the economic well being of individuals and businesses. Having a fair and predictable civil justice system serves the best interest of all Louisianans.

—Direct Small Business Impact—

CURRENT ISSUES

Trial by Jury: Support enhancing a citizen's right to a civil jury trial by reducing or eliminating the current monetary threshold of \$50,000.

Direct Action: Support legislation to reform Louisiana's unique direct action law and to outlaw presentation of evidence of liability insurance to the jury.

Double Recovery: Support legislation to eliminate double recovery of damages.

Single Business Enterprise Theory: Support legislation that prohibits the application of the single business enterprise theory to extend liability beyond a separate entity.

Frivolous Suits: Support appropriate legislation to discourage the filing of frivolous lawsuits and to curb abusive litigation tactics.

Liability Insurance: Support appropriate legislation to reduce liability insurance costs.

Judicial Reform: Support programs and legislation to foster judicial excellence, including merit selection of judges.

Substance Exposure Liability: Support appropriate legislation that ensures that liability based on exposure to allegedly injurious or hazardous substances, including, but not limited to asbestos, mold and silica, is supported by reliable scientific evidence and that monetary awards for exposure compensate only to the extent of injuries actually sustained. Support appropriate legislation that would establish medical criteria that separate the sick from those who are not and compensate only those who are sick. This legislation would guarantee those who are healthy their day in court if, and when, they become ill.

Expert Testimony: Work with appropriate branches of government to resolve problems arising from the admissibility of certain opinion testimony by witnesses presented as experts.

Court Watch: Continue to raise awareness, especially in the business community, of key judicial decisions that impact economic development in Louisiana.

Pre-judgment Interest: Support efforts to reform pre-judgment interest.

Class Action/Multi-Party Litigation: Monitor developments in the use of the class action/multi-party procedure and respond as needed with appropriate legislation.

Government-sponsored Lawsuits: Support efforts to stem the tide of government-sponsored litigation.

Venue: Support legislation that sets forth appropriate venue rules in class action and multi-party cases.

Personal Responsibility: Encourage use of safety devices by allowing introduction of evidence on their non-use/misuse to establish comparative fault.

Product Liability: Support legislation that protects manufacturers and sellers of legal products from litigation that attacks the inappropriate usage of products by third parties.

Discovery: Support legislation limiting “fishing expeditions” for extraneous information in lawsuits.

ONGOING POLICY

Filing of Lawsuits: Oppose efforts to lengthen the time frame in which lawsuits can be filed. Support legislation to re-establish, expand and strengthen traditional defenses.

Protective Orders: Repeal protective orders legislation enacted in 1995.

Professional Liability: Support appropriate professional liability reform.

Alternative Dispute Resolution: Support appropriate legislation that would encourage alternative dispute resolution.

Committee Structure: Work to assure balanced membership on legislative committees to which liability-related legislation is referred.

Appellate Review of Fact: Study the effects of Louisiana’s unique rule that allows appellate courts to overturn lower court decisions on issues of fact without returning cases to trial courts for determination of facts.

Tort Defense: Oppose tort legislation that would expand exposure of individuals, professionals and businesses to unreasonable or excessive judicial awards.

Bifurcation of Trials: Support legislation to eliminate the requirement that all parties to a civil suit consent to the separate determination of liability and damages.

—See also the Federal Program—

Contact: Jonica Coates (225/928-5388 ext. 255; or JonicaC@LABI.org) As Director of the Civil Justice Reform Council, Jonica handles liability and tort reform issues. She is the editor of *Court Watch*, LABI’s periodic newsletter covering court decisions that impact business. Also under her purview: federal issues.



Jonica Coates

Director, Civil Justice Reform Council
Editor, *Court Watch*
Federal Issues
LABI



Chuck McMains

Chairman
Civil Justice Reform Council
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EDUCATION AND WORKFORCE DEVELOPMENT

LABI recognizes that a strong public education system is the key to economic prosperity in the state. Sustained improvement in education will not occur until more citizens demand it. While LABI applauds recent improvements, including the expansion of early childhood education, higher overall ACT scores and gains in National Assessment of Educational Progress (NAEP) scores, much remains to be done. Educational improvement must continue and must occur alongside (at the same accelerated pace as) economic development efforts. LABI will concentrate its efforts on the following areas to achieve its goal of improving educational opportunities for all Louisiana citizens.

MAJOR ISSUE

Public School K-12 Accountability Plan

The Issue: It is very important that Louisiana businesspeople continue to support, closely monitor, defend and strengthen the K-12 public school accountability program. As school performance standards become more stringent in 2005-06, the program will come under increased scrutiny and attack from those who would see it watered down or repealed. If there is ever to be a strong public education system in Louisiana, the current accountability program, as strengthened by new mandates resulting from the federal *No Child Left Behind* legislation, must be protected at all costs.

LABI Position: Support, protect and strengthen the K-12 accountability program.

Reasoning: The foundation of a strong public school system must be academically rigorous standardized tests and a plan to determine what to do about schools and school systems with poor student achievement results. This means we must defend the high stakes testing program for students in grades 4 and 8 to measure how well students are learning. We must continue to support the Graduation Exit Exam as a requirement for high school graduation and administering norm-referenced achievement tests at other grade levels. We should continue to support the use of an individualized reading test to be given in the first, second and third grades. And, we must oppose efforts to create a “provisional” diploma, which would allow students to graduate from high school without passing the Graduation Exit Exam. We must more stringently monitor and strengthen the state’s pre-GED Options program. Finally, we should support a better performance evaluation system for teachers and administrators and a plan to sanction and/or reward school personnel based upon student academic achievement.

—Direct Small Business Impact—

CURRENT ISSUES

Workforce Development: Support the creation of a partnership between LABI and the Louisiana Community and Technical College System (LCTCS) with the objectives of improving workforce training in Louisiana and facilitating the development of a single point of contact for employers. (This could be accomplished by consolidating existing services, creating an online service center, or other possible options.) The partnership should also focus on how the LCTCS aligns training priorities with workforce needs and how to improve that process. Additionally, the partnership should conduct a study of how tenure affects the flexibility of the system to effectively and efficiently address workforce training needs.

School Choice: Create or support legislation to implement a system of publicly supported education that gives par-

ents maximum choice among government and non-government schools.

Teacher Quality: Support efforts to improve teacher quality in Louisiana. LABI recognizes that the classroom teacher is the single most important factor in and influence on students’ educational success, and will work to strengthen the state’s professional teaching corps.

8(g): Support the integrity of the 8(g) fund and oppose any attempts to use those funds to supplant general fund revenues for education.

Adult Education/GED Programs: Support legislation and long-range public policy decisions to reorganize and improve the GED Program and other training options for those over age 19.

Workforce Development/Vocational Education: Continue to support efforts of the LCTCS to improve the delivery of training in vocational education and community colleges. LABI will encourage the continued development of a post-secondary education system (adult education, votech, community college and university systems) that will be efficiently coordinated to provide shared resources, shared facilities, non-duplicated offerings and articulation agreements. This system should be tailored in each region of the state to address the proper mix of special workforce training programs, vocational and technical training, two-year associate degrees and advanced degrees, and to provide a rapid response to changes in the business environment. Development and direction of these systems should include substantial input from the business community and include systems designed to measure the progress of each educational component, holding accountable those responsible for the success of their students. The business community should expect coordination of money and resources among the Louisiana Workforce Commission, the Incumbent Worker Training Program at the Department of Labor and training funds from the Department of Economic Development, as well as other agencies with workforce development funds. Eliminating duplicative funding streams from these sources and the vocational-technical colleges is essential if we are to use tax money wisely.

Higher Education: Support stable funding for higher education and greater accountability for these expenditures. Support recommendations in the Board of Regents’ Master Plan for Higher Education that call for defining the role, scope and mission of higher education institutions, including the adoption and full implementation of new admission requirements; discontinuing low-enrollment programs; reducing remediation; improving articulation; and encouraging electronic distance learning.

LCTCS: Oppose legislation that would transfer the management of community and/or technical colleges from the LCTCS, a system under the governance of the Louisiana Board of Regents, to any existing state board or to a new board that would be created by an act of the Legislature.

Classroom Funding: Support the funding of classroom instruction and improved accountability in all areas, including category-specific financial reporting, as the top priorities in K-12 education funding.

School Discipline: Support efforts to address the issue of school discipline and work with the state commission on school discipline to identify solutions to classroom management problems, while keeping disruptive students in learning environments.

TOPS Eligibility Requirements: Support efforts to strengthen the academic requirements to receive the merit-based TOPS scholarship, and oppose efforts to weaken current requirements.

High School Dropouts: Support efforts to reduce Louisiana's public school dropout rate, and draw recent dropouts back into school, including expansion of course offerings that emphasize technical training.

them how to get involved and make the education system work for them and their children.

Collective Bargaining: Oppose legislation requiring collective bargaining and/or binding arbitration by any public body.

Tenure, Sabbatical and Sick Leave: Oppose legislation that would expand tenure, sabbatical and extended leave benefits for all school employees. Support legislation that would reduce or eliminate tenure and sabbatical leaves for rest and recuperation purposes for teachers and other school personnel.

Contact: Brigitte Nieland (225/928-5388 ext. 270; or BrigitteN@LABI.org) As Director of the Education Council, Brigitte coordinates business' involvement in education reform issues, including workforce development. She also oversees the communications operation as Vice President of Communications.

ONGOING POLICY

Alternative Schools: Support efforts to create effective alternative schools for students who do not perform well in traditional school settings.

Early Childhood Education: Support providing a quality academic program in pre-K and in the first three years of elementary school to lay the proper foundation for later learning.

Charter Schools: Facilitate the expansion of charter schools by amending the charter school law or recommending policy changes to BESE to streamline the approval process.

Parent/Teacher/Citizen Empowerment: Support efforts to provide parents, citizens and educators with factual information about education issues at all levels and teach



Brigitte Nieland

Director, Education and Workforce
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Vice President, Communications
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Mike Mitternight

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EMPLOYEE RELATIONS

In the past, “fiscal-only” sessions meant that there would be little action in the employee relations arena, but this year, there is the added wrinkle of each legislator being able to introduce five bills that can be of a non-fiscal nature. Some of these bills will undoubtedly deal with employment issues. Given this, the LABI Employee Relations Council will be alert to any measures to erode employer rights or increase the costs of workers and unemployment compensation.

MAJOR ISSUES

Incumbent Worker Training Program

The Issue: Should the Incumbent Worker Training Program, which is paid for exclusively through a tax surcharge imposed on employers, be accessible to employers who contribute nothing to its funding? Should it be used for training individuals who are not employees?

LABI Position: Oppose legislative attempts to shift monies out of the Incumbent Worker Training Program fund for purposes not already provided for under existing law.

Reasoning: The IWTP was created in 1997, when the business community agreed to a tax to provide customized training for incumbent workers of Louisiana employers trying to remain competitive and viable in today's world market. Several stringent requirements were established to protect the integrity of the IWTP fund, and applicants must run the gauntlet of a rigorous qualification process. When funds are made available for training, the employer must demonstrate that participating employees are subsequently upgraded and compensated accordingly.

The IWTP is funded through a surcharge on employer unemployment compensation (UC) taxes. However, not all Louisiana employers pay this surcharge. Governmental entities and nonprofits may elect to forgo the UC tax and pay only for the cost of benefits to their employees. Since they do not help in the funding of the IWTP, they are not eligible to participate in it.

Last session, the Legislature attempted to shift \$4 million from the IWTP fund into the state general fund and appropriate the amount to the higher education Board of Regents for use in "health workforce development initiatives." This legislative raid constituted an end run around the IWTP's statutory requirements for application and qualification. Had the raid succeeded, employers who pay nothing toward the cost of the program would have had access to its monies, and those monies could have been used to train individuals who were not incumbent workers. This raid was defeated by the business community, which maintained that the fund should only be used for and in the manner agreed to at its inception. However, the size of the IWTP fund guarantees that it will be a target for another raid this session.

—Direct Small Business Impact—

Minimum Wage

The Issue: Should Louisiana have a minimum wage that exceeds the federal standard?

LABI Position: Oppose legislation establishing a state minimum wage.

Reasoning: A statewide minimum wage would seriously harm Louisiana's economic development. It would nega-

tively impact Louisiana's business climate and accelerate the outmigration of jobs that is already occurring in this state.

If the Legislature were to enact a minimum wage for Louisiana higher than the existing federal minimum, some businesses could pass the increase to consumers by raising the price of their goods and/or services, but their capacity to do this is limited. Louisiana companies with interstate competitors would be even more restricted in their ability to pass along the increase if they wish to remain competitive.

While proponents of a minimum wage increase claim that it will help workers, the reverse is more often the case. The negative impact on their profitability will force some employers to consider laying off workers in order to remain in business. Others may choose to cut the benefits they provide their employees. Still other businesses would move their operations to a state without a minimum wage law.

—Direct Small Business Impact—

Workers Compensation

The Issue: Should workers compensation (WC) be the exclusive remedy for workplace injuries, and should this protection be extended to a business that is not the direct employer of the injured worker but is considered that individual's statutory employer?

LABI Position: Defend the exclusive remedy and statutory employer provisions of the WC law.

Reasoning: Louisiana's WC law developed from a public policy compromise reached in 1914. This compromise underpins the comp laws in all other states, as well. Businesses give up their right to defend themselves against their employees' injury claims in exchange for their employees relinquishing their right to sue for unlimited damages in compensation for those injuries. By developing a no-fault insurance system, states ensure that workers are promptly compensated, even when their own negligence causes their injuries.

Any erosion of the tort immunity that employers have under the WC law undermines the very foundation of that law. This concept of WC as injured workers' exclusive remedy is the quid that employers receive for the quo that employees have by way of immediate compensation for their injury, irrespective of their own fault. This policy is fair and less costly to society.

The exclusive remedy protection of Louisiana's WC law also extends to companies that use subcontractors. The contracting company (referred to as the "principal") is given the legal status of "statutory employer" and is thereby granted the same immunity from lawsuits that the subcontractor has as the direct employer. This is because, when the subcontractor does not have WC coverage or if the

coverage is insufficient, the law requires the principal to pay the medical and indemnity benefits due the subcontractor's employees. Since the principal is ultimately responsible for the coverage, it only stands to reason that he should receive the same protection from lawsuits.

If legislation is enacted that erodes exclusive remedy, many comp claims would be accompanied by companion tort lawsuits. Injured workers would have the best of both worlds—immediate indemnity and medical benefits through workers comp followed later by an award of tort damages. Even if the employer is not at fault, the existence of a right to sue will enable plaintiff attorneys to make allegations that allow such suits to proceed, thereby imposing significant costs on employers to defend themselves and pressure from those plaintiff attorneys for lucrative settlements.

—Direct Small Business Impact—

CURRENT ISSUES

Right-to-Work: Do everything necessary to maintain Louisiana as a Right-to-Work state, including opposing “agency shop” legislation, which would force non-union employees to pay dues to a union just like its members.

Unemployment Compensation: Support legislation to lower UC taxes, which are paid exclusively by employers, and oppose any legislation that would jeopardize the state UC trust fund's solvency and risk higher employer taxes. Support legislation to amend the existing system for triggering tax increases and benefit reductions by adjusting monetary triggers to levels appropriate for maintaining the state UC trust fund's solvency.

Unemployment Compensation: Support legislation to bring Louisiana's UC law into compliance with the federal State Unemployment Tax Act (SUTA) Dumping Prevention Act of 2004, but oppose legislation that would impose penalties or restrictions on employers that exceed the requirements of this Act.

Workers Compensation: Support legislation to strengthen Louisiana's WC law, and oppose legislation that would expand WC coverage and increase costs to employers.

Drug-Free Workplace: Support legislation and promote administrative policies that make it easier for employers to maintain a drug-free workplace in Louisiana.

Workers Compensation: Promote prosecution of the crime of WC fraud and protect employers' ability to defeat fraudulent claims.

Mandated Employee Benefits: Oppose any statutory intrusion into the area of employee/employer relationships, including but not limited to mandated benefits. Oppose any creation or expansion of government-mandated ben-

efits under employer health plans except when there is a documented, actuarially positive cost/benefit for such mandates.

Workers Compensation: Support legislation to provide for quality (but not excessive or unnecessary) medical treatment and ancillary services, and pursue other alternatives designed to lower WC medical costs.

Employer Liability: Support legislation to repair judicially imposed employer liability doctrines established contrary to legislative intent.

Employment Incentives: Support legislation that offers entry-level employee incentives to businesses involved with public works projects, provided that these projects will not require project labor agreements.

Noncompetition Agreements: Support legislation to protect businesses against unfair competition by allowing them to enter into noncompetition agreements with their employees that would place reasonable restrictions on such employees.

Incumbent Worker Training Fund: Create and support legislation that would allow businesses – in particular, small businesses – better access and greater flexibility in the use of monies from the incumbent worker training fund.

Labor Relations: Support legislation to prohibit state and local government interference with employers' rights and protections as provided under existing federal laws governing labor/management relations. Oppose any state legislation designed to weaken employers' protections under existing federal laws governing labor/management relations.

Employment-at-Will: Support legislation to ensure employment-at-will as a right of all Louisiana employers.

Workers Compensation: Study and amend as needed the WC confidentiality rules to provide reasonable provisions governing the protection and release of workers compensation information.

Second Injury Fund: Continue to assess the viability of the Second Injury Fund and support legislation to establish an equitable assessment method for its funding.

Equal Employment Opportunity: Support equal employment opportunity by coordinating existing state and federal antidiscrimination laws, but oppose any legislation that would expand upon existing remedies and protections.

Forum Selection: Support legislation to protect and enhance the freedom to contract with respect to forum selection in the employment relationship.

Collective Bargaining: Oppose legislation requiring collective bargaining and/or binding arbitration by any public body.

Employee Leasing: Support legislation to ensure that employee-leasing firms do not insulate their clients from their WC and/or UC experience rating, and oppose any erosion of existing statutory protections.

Prevailing Wage: Oppose any attempts by the Legislature to re-enact a prevailing wage law, which would result in the state or local governments paying more for goods and services than is paid by businesses in the private sector.

Unemployment Compensation: Support legislation to fine-tune the UC law in Louisiana and eliminate employee and employer abuses.

ONGOING POLICY

Judicial Monitoring: Advise the employer community of judicial and administrative decisions that destroy the effectiveness of legislated reforms in workers compensation.

Seminars: Plan and implement seminars on such issues as WC, UC, employer liability, private and public sector unionism, and employment and labor laws.

Workers Compensation: Update and publish the LABI WC Desk Book.

Unemployment Compensation: Update and publish the LABI UC Manual.

Workers Compensation: Support efforts to create an efficient and less costly WC market by encouraging continued growth and increased competition within the voluntary market.

Unemployment Compensation: Support legislation to coordinate federal and state laws defining taxable employment.

Workers Compensation: Support legislation equalizing all WC benefits to a percentage of after-tax income.

—See also the Federal Program—

Contact: Jim Patterson (225/928-5388 ext. 257; or JimP@LABI.org) Serving as Employee Relations Council Director, Executive Director of the Louisiana Right-to-Work Committee and Vice President, Governmental Relations, Jim's responsibilities include labor issues such as workers and unemployment compensation, and coordinating the lobbying team's efforts at the Legislature.



Jim Patterson

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Executive Director, Louisiana
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Employers

ENERGY

LABI represents energy producing, transporting and consuming industries. We will continue to support healthy economic growth of the state by promoting production of adequate supplies of all forms of energy at competitive prices, opposing increased taxes and fees on energy sources, encouraging conservation of resources, and balancing environmental concerns with energy production and usage.

CURRENT ISSUES

Energy Taxation: Oppose increased or new taxes or fees on oil, natural gas and other hydrocarbons, such as:

- a processing, transportation, or refinery tax;
- a change in the calculation of the natural gas or other energy franchise taxes which would increase the cost;
- an increased severance tax;
- a sales tax on natural gas transportation;
- a coastal wetlands environmental levy;
- a “first use” tax; or
- a minerals-in-place or reservoir tax.

Sales Taxes: Support legislation that would eliminate or phase out sales and use taxes on energy and energy sales to all classes of customers.

— Direct Small Business Impact —

Mineral Lease Damages: Defend existing strengths in Louisiana’s civil justice system and support legislation to rectify jurisprudential erosion of current law and excessive judgments, which are detrimental to the state’s economic development initiatives.

Mineral Property Taxes: Oppose efforts to undermine the current protection of oil, gas and associated mineral rights from the imposition of property taxes.

Oil and Gas Development: Support legislation that will continue to offer incentives to stimulate oil and gas exploration and production in Louisiana. Support streamlining of exploration, production and transportation permitting and reduction of regulatory burdens.

Contingency Fees: Oppose legislation that would authorize the attorney general to enter into contingency fee contracts or to employ outside counsel to be paid by the defendants or the state from the proceeds of awards and/or settlements.

Competition: Support a fair and fully competitive retail electricity market that allows all consumers the right to choose their supplier of electricity.

The move to competition should:

- Provide for the transition to competition for all consumers;
- Require the continued regulation of the transmission and distribution of electricity;
- Provide incentives that will encourage the expansion and upgrade of electricity transmission facilities;

- Promote reliability of electric service for all consumers;
- Require the equitable sharing of net verifiable stranded costs that cannot be mitigated;
- Protect consumers from unwarranted shifts in tax burdens; and
- Provide for the prompt amendment or repeal of statutory constraints to open access.

Competition: Support a fair and fully competitive retail natural gas market that allows all consumers the right to choose their supplier of natural gas.

Liquefied Natural Gas: Support legislation and/or regulations that will promote the development of LNG receiving terminals both onshore and offshore Louisiana.

Electricity Transmission: Support legislation that would grant tax incentives for upgrading the state’s electric transmission and distribution grid.

Cost of Service: Oppose legislation that would shift the cost of electricity service from one class of consumer to another. Oppose imposition of taxes or fees to subsidize energy assistance programs within the Public Service Commission.

ONGOING POLICY

Public Education and Research: 1) Support research and compilation of data that reflects the impact of agency fees on business. 2) Support legislation to provide funding for energy-related research by the LSU Center for Energy Studies. 3) Support educational programs to inform the Louisiana public of the serious nature of the changes in energy costs and availability, encourage active energy conservation programs and plan a program for community activities to facilitate such educational efforts, which will be developed and implemented by LABI Energy Council members.

Intrastate and Interstate Pipelines: Participate actively with governmental entities and leaders to ensure the viability and integrity of the state’s intrastate natural gas systems and those interstate natural gas systems that operate and serve customers in Louisiana.

By-Products: Maintain the non-taxable status of by-products and intermediate materials.

Lease Use/Plant-Use Gas: Support legislation affirming the historical treatment of natural gas used at the lease and at gas processing plants as not being subject to sales or use taxes.

Mineral Taxes: Support legislation and/or regulations that will establish the fair market value for oil, natural gas, and oil and natural gas equipment for taxation purposes.

Oil and Gas Development: Oppose legislation that would impose additional restrictions on mineral leasing, drilling permit acquisition, or other onerous requirements that act as a disincentive to exploration, production and transportation of natural gas and oil unless and until valid, scientific studies document significant adverse impacts on the environment and risk assessments are attached.

Assessment Practices/Electric Utilities: Oppose redistribution of tax proceeds to parishes other than the parish where the electric utility plant is located.

Assessment Practices/Pipelines: Support equitable assessment practices for pipelines classified as public service properties.

Oilfield Wastes: Support the current jurisdiction of the Department of Natural Resources and the Department of Environmental Quality and oppose changing the jurisdiction thereof to the Attorney General or to any other department or agency.

Oilfield Wastes: See the Environmental Quality Council Program, page 30.

Fees/User Pays: Ensure that fees assessed by regulatory agencies are limited to those that are necessary to adequately support programs and personnel with expertise and are relevant and in proportion to the services rendered and are equitably assessed on all classes of users.

Injection Wells: Support the retention of the responsibility for Class I and Class II injection wells related to oil and gas exploration and production within the Department of Natural Resources.

Consumer Advocacy: Oppose legislation that would establish new programs within new or existing agencies or departments that require public funding for representation or intervention in regulatory proceedings.

Energy Development: Support legislation that will promote use of Louisiana energy sources but does not unduly favor one energy form over another.

Expropriation: Support the existing Louisiana statutes and constitutional guarantees for the orderly expropriation of property and for the compensation for those properties expropriated.

—See also the Federal Program—

Contact: Ginger Sawyer (225/928-5388 ext. 244; or GingerS@LABI.org) As Energy Council Director, Ginger handles issues impacting Louisiana’s energy producing and consuming industries. Ginger’s oversight as Vice President of Political Action encompasses managing the day-to-day operations of LABI’s four affiliated political action committees, which recruit and help elect pro-business candidates. Ginger also directs the grassroots efforts that are integral to our legislative success.



Ginger Sawyer
Director, Energy Council
Vice President of Political Action
LABI



Emile Cordaro
Chairman
Energy Council
American Electric Power

ENVIRONMENTAL QUALITY

LABI’s goal is to protect and improve the environment while maintaining a strong economic base.

CURRENT ISSUES

Agency Funding: Support adequate state general revenue funding of the Louisiana Department of Environmental Quality (DEQ) that reflects its regulatory mandate and the services rendered to governing authorities and the general populace. Stable, consistent funding with strict guidelines

for expenditures and outside contracts, grants and contributions must be implemented to maintain needed services and ensure accountability.

Agency Fees: Support a streamlined DEQ fee structure that accurately reflects the cost of the service provided, does not exceed that cost, funds only the specific program

for which the fees are collected, and with rates distributed fairly between industry and local governing authorities. LABI will support new or increased fees only if DEQ can justify the need for the additional revenue, assures the fees will be used only for the services for which they are intended, and provides evidence of increased efficiency measures. Work with DEQ to create a consolidated and itemized fee invoicing system.

Permit Issuance:

- Support legislation and/or regulation which minimizes uncertainty and provides clear guidance to DEQ and regulated entities relative to information, such as compliance with the “IT decision” (*Save Ourselves, Inc. v Louisiana Environmental Control Commission*, 452 So.2d 1152 (La. 1984)), which is required for issuance of permits and, upon compliance, ensures the issuance of permits.
- Oppose the use of “environmental justice” as a means of stopping economic development. Assure the rights of minorities are protected under the Civil Rights Act.
- Streamline the permitting process. Encourage the development and use of general permits for similar groups of facilities. Encourage DEQ to issue permits timely, per Act 686 of 1990.
- Support and encourage the granting of permits that are valid for the life of the facility, especially solid waste facilities.

Clean Air: Support efforts to make Louisiana’s air quality programs equivalent to and no more restrictive than the 1990 amendments to the federal Clean Air Act. Support legislation and rules that equitably distribute the responsibility for meeting air quality requirements among all emission sources. Support DEQ efforts to promote federal acceptance of reasonable state air quality programs. Strongly encourage DEQ to promptly update the State Implementation Plan (SIP) to incorporate EPA’s favorable changes to the New Source Review (NSR) rules, and support additional NSR reform.

Administrative Procedures: Ensure that the division of administrative law be maintained. Further, require DEQ adherence to the Administrative Procedure Act (APA) to ensure due process, fairness and accuracy in the promulgation and implementation of regulations and policies. The APA should guide the conduct of administrative procedures relative to actions and decisions by the department.

Administration Liaison: Work closely with the administration to assure that regulatory agencies and

legislative committees dealing with the environment will foster a climate conducive to economic development while protecting the environment through the use of sound science.

State Water Policy: Support a fair, flexible, and scientifically based state-wide water use policy that considers the needs of all water users.

Coastal Zone: Continue to support efforts to conserve the coastal zone in accordance with Act 361 of 1978, particularly with regard to state jurisdiction. Support America’s Wetlands program and work to raise awareness of the economic value of Louisiana’s wetlands.

Economic Development: Support fair and consistent enforcement of Louisiana environmental laws and regulations, but oppose using unrelated measures, such as restricting the availability of tax exemption programs, as penalties for environmental violations. Additionally, encourage state agencies to set long-term objectives so that business and industry can accomplish necessary planning vital to further economic development.

Liability: Oppose any expansion of punitive damages, criminal penalties or “bad actor” provisions in environmental law or regulations.

Emergency Response: Support legislation to give the appropriate governmental entities principal jurisdiction over emergency response action.

Rule Flexibility: Support implementation of 1997 Act 992, which authorizes regulatory flexibility in return for improved environmental performance and recognizes DEQ as the sole authority.

Consistency, Validity and Consolidation of Regulations: Encourage state and local agencies to streamline and simplify compliance with environmental programs by revising laws, regulations, standards, enforcement procedures, fees and penalties to be consistent with federal requirements. Consolidate, merge or eliminate duplicative or overlapping regulatory programs and reporting to reduce the costly regulatory burden on industry. Base regulations on valid science, rather than upon unsupportable allegations or claims. LABI supports DEQ’s efforts to coordinate federal and state environmental programs and recognizes DEQ’s primacy in federally delegated programs.

General Environmental Legislation: Support environmental legislation that balances environmental concerns with economic realities and is workable, practical, equitable and consistent.

ONGOING POLICY

Public Communication: Encourage the use of sound science to explain the issues, quickly addressing inaccurate media coverage and publishing information on environmental progress. Develop and maintain ongoing proactive programs and dialogue with government, news media, regulators and the public to promote maximum understanding of environmental quality issues, including risk management programs, and associated risks and benefits. Encourage member companies, local chambers of commerce and other business and professional organizations, as well as governmental agencies, to further improve internal and external communication of environmental issues and progress.

Permitting:

- Encourage the state to adequately fund environmental programs and to set compensation levels and implement other modifications to attract and retain trained environmental professionals to manage DEQ and to process permit applications in a timely manner.
- Encourage informal dialogue between DEQ and the regulated community about permitting and enforcement matters.
- Oppose the banning of any permitted business activity unless and until valid, scientific studies document significant adverse impact on the environment.

Environmental Compliance Records: Support accurate facility compliance records by encouraging clear, concise differentiation by DEQ between an issued and/or pending order and a resolved and recorded legal enforcement action. Encourage DEQ to include in the official compliance record only settled or resolved enforcement actions.

Landowner Rights: Oppose the regulation of any use or condemnation of private property unless based on adequately demonstrated public need. Support legislation to require the governing body to deal openly with the landowner and to adequately compensate property owners for loss of use or devaluation of their property caused by environmental regulations, laws or policy.

Development of Regulations: Support the continued publication by DEQ of the agency's regulatory agenda and continued expansion of information available from and submitted to DEQ on the Internet and other electronic media. Additionally, the full text of proposed regulations should be published in the *Louisiana Register* and available on the DEQ website; copies of proposed rules should be promptly available in DEQ's regional offices; fiscal and economic impact statements should realistically reflect compliance costs to industry and local government. Oppose the development of "unwritten policies" and "guidelines" by DEQ in lieu of properly promulgated and authorized rules.

Emergency Reporting: Support efforts to implement 1989 Act 200 requiring DEQ and the Department of Public Safety to create a statewide uniform emergency reporting and notification system. Lists of reportable chemicals and quantities must be made identical, with penalties prohibited for substances not on the DEQ list.

Hazardous Waste Tax: Oppose new or increased taxes on the generation, transportation, storage, disposal, incineration, recycling, injection or treatment of hazardous waste or any permitted emission.

Environmental Leadership: Support and encourage member participation in the Louisiana Environmental Leadership Pollution Prevention Program.

Exclusionary Provisions: Oppose any regulatory or legislative attempt to introduce unnecessary exclusionary language that would, by inclusion or exclusion, restrict to any group or groups of environmental professionals the delivery of environmental services.

Gulf of Mexico Program/Barataria-Terrebonne National Estuary Program: Support programs that are based on scientific information and that balance environmental concerns with economic development; encourage DEQ and LABI members to participate to the greatest extent possible and to communicate the programs' progress with other members and the public.

Small Business: Support efforts to minimize the regulatory burden on small business, and support and participate in activities to assist small business with environmental compliance.

State Jurisdiction: Support existing laws granting exclusive jurisdiction of the Louisiana Environmental Affairs Program and the Coastal Zone Management program at the state level, and maintain the present DEQ jurisdiction.

Interagency Consistency: Encourage an ongoing dialogue among state agencies to ensure interagency regulatory consistency and the promotion of a favorable business climate while continuing to protect and improve the environment.

Management of Waste: Support legislation and regulations that allow business, industry and local governing authorities to take advantage of all environmentally sound waste management technologies, including but not limited to reuse, recycling and waste exchanges. LABI supports regulatory programs that encourage free enterprise and a competitive business climate. LABI opposes excessively complex regulations that discourage the beneficial use of sound technologies and by-products.

Litter: Support and encourage all reasonable efforts to eliminate litter in Louisiana, including anti-litter public campaigns.

Access to Information: Support implementation of state law (Act 1063 of 1990) with regard to freedom of information to assure that it adequately serves the needs of the general public and the private sector, while protecting the confidentiality of sensitive information where appropriate. Support the implementation of Act 636 of 2004 that authorizes DEQ to restrict access to certain security sensitive information for the purpose of preventing its distribution or dissemination via the Internet.

Right-to-Know: Support making Louisiana’s Right-to-Know program consistent with the Superfund Amendment and Reauthorization Act (SARA), Title III.

Oilfield Wastes: Oppose legislation that would unilaterally reclassify oilfield wastes as hazardous or any other inappropriate classification. LABI supports EPA’s current definition of hazardous wastes related to oil and gas exploration and production activities. Encourage the development of scientifically appropriate, reasonable testing regulations that accurately demonstrate the non-hazardous nature of the majority of oilfield wastes.

Water Conservation: Monitor the development of state and federal water conservation programs to ensure that all water users — industrial, residential and commercial — are assured adequate access to usable water sources.

—See also the Federal Program—

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GOVERNMENTAL REFORM

LABI encourages the enactment and enforcement of state laws and policies that promote honest, fair and responsible government and that allow all citizens to participate in the electoral and governmental processes. Businesses should be able to operate in an atmosphere in which the political arena is not a hindrance to economic development.

CURRENT ISSUES

Constitutional Convention: Continue to review historical information and develop criteria to determine if a constitutional convention should be called.

Ethics:

- Support the retention of a single board governing ethics for elected officials, public employees and lobbyists, and support the enforcement of existing laws. Monitor the activity and decisions of this board, particularly with regard to their effects on the business community and the election process.
- Strengthen enforcement of Louisiana’s ethics law regarding campaign finance, lobbyist disclosure and implementation and enforcement of the Code of Ethics as it relates to public employees and elected officials.
- Support retention of a strong campaign finance disclosure law, including provisions to require full disclosure of all campaign contributions. Support the current rights of citizens and corporations to contribute to political campaigns, both individually and as legally constituted committees.
- Support retention of a strong lobbyist disclosure law.
- Actively oppose any weakening of the current ethics law.

Campaign Finance: Support legislation that would prohibit or restrict political contributions to the Public Service Commission from the entities it regulates.

Civil Service: Support legislation to reform civil service to achieve maximum efficiency in state government.

Public Access to Legislators: Oppose any efforts to limit and/or restrict public access to legislators and/or House and Senate chambers.

Government Efficiency: Support efforts to operate state government in a more efficient, cost-effective and fiscally responsible manner, including privatizing state government services where feasible.

Retirement Systems: Support consolidation and reform of state retirement systems, including elimination of early retirement after 20 years of service regardless of age for future state employees. Oppose any expansion of benefits or coverage in order to help ensure fiscally responsible funding and actuarial soundness of Louisiana's public retirement systems. Support legislation that would raise the retirement age and/or increase the years of service needed for new state employees to retire.

Judicial Reform: Support programs and legislation to foster judicial excellence, including merit selection of judges with subsequent retention elections.

State Contracts: Support strengthening existing law that prohibits awarding state contracts for goods and services to any public official or his/her immediate family.

Government Appointments: Support efforts to change appointed governmental positions and certain elected positions to professional positions.

Little Hatch Act: Support "Little Hatch Act" provisions in the state constitution that prohibit state and local classified civil service employees from participating in certain partisan political activities while so employed.

Term Limits: Support legislation to limit the terms of all statewide elected officials. Continue to support existing law that limits the number of terms a person can serve in the Louisiana Senate and House of Representatives.

Boards and Commissions: Support legislation to promote experience and expertise by allowing individuals to serve on boards and commissions and to recuse themselves when an issue arises involving a conflict of interest.

Boards and Commissions: Support legislation that would require public or quasi-public boards and commissions to adhere to the same legal requirements and accountability standards as other public bodies. Also, support legislation to limit the number of terms a person can serve on certain boards and commissions.

Public Meetings/Public Records: Oppose efforts to weaken the Open Meetings Law, the Public Records Law, the Election Code, the Public Bid Law and the Local Government Budgeting Act; and protect the rights of individuals and organizations to full and open participation in governmental processes.

Office of the Inspector General: Support appropriate legislation to protect the Office of Inspector General in state law, rather than its existence by executive order.

ONGOING POLICY

Initiative: Maintain Louisiana's current referendum system, which requires that voters approve all changes to Louisiana's constitution.

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HEALTH CARE

LABI encourages a cost-effective, competitive health care market as an incentive to economic growth and development while assuring that consumers in Louisiana continue to receive high quality, accessible and affordable health care.

LABI shall take an active role in:

- *issues that would affect health care costs, an employer's right to contract, or an employer's flexibility to determine and provide employee benefits.*
- *issues pertaining to licensure, scope of practice, credentialing and registration only if it can be proven that those issues produce an undue burden upon employers.*
- *opposing burdensome employer health care mandates.*
- *other issues affecting the cost of health care to employers.*

MAJOR ISSUES

Mandated Benefits

The Issue: Should employers be forced to bear the additional cost of governmentally imposed mandates?

LABI Position: Oppose new or expanded governmentally mandated benefits under employer health plans, except those benefits that are effective in controlling health care costs. Oppose new or expanded governmentally mandated payments by health plans for the benefit of a limited population or specific providers, except when there is a documented, actuarially positive cost/benefit for such mandates. Support measures that allow employers to purchase mandate-free coverage.

Reasoning: Most employers already voluntarily offer health care plans that benefit the majority of employees across the board. Mandating coverage in any area would result in higher insurance premiums, making it difficult, if not impossible, for small business owners to provide health insurance for their employees. If employers are forced to drop coverage because of the continued imposition of mandates, this will increase the uninsured and underinsured population and make Louisiana employers less competitive with employers in neighboring states. Mandated benefits are unnecessary government interference, and they restrict employer/employee choices. Through its 2003 passage of a five-year moratorium on additional mandated benefits, the Louisiana Legislature recognized the negative effect of such measures. This moratorium should be honored.

—Direct Small Business Impact—

The Uninsured

The Issue: How should the state reduce the number of uninsured in Louisiana? At 19 percent (according to the latest U.S. Census Bureau report), Louisiana has the third highest uninsured rate in the nation.

LABI Position: Make employer-based health care coverage more feasible by supporting reforms designed to: 1) reduce or eliminate mandated health care benefits; 2) lessen the impact of litigation on health care costs; 3) reduce the health care cost shifting from the public sector to private employers; 4) provide fair, reasonable and appropriate incentives for employer-provided health insurance; and 5) replace the state's archaic indigent health care system with a more cost effective method of providing necessary medical services to the poor.

Reasoning: Most of the 45 million uninsured Americans are connected to the workforce in some way (*i.e.*, workers, dependents, etc.). Not only are fewer employers offering coverage in Louisiana, but more employees are choosing not to enroll in employer-sponsored health plans when offered. Both of these phenomena are due to extraordinary increases in employer health care costs and employees' share of premium during the same period. Having more uninsured and underinsured shifts more costs to the private sector.

CURRENT ISSUES

Expansion and Funding of State Health Care Systems: Oppose new taxes or fees intended to expand or maintain the state's failing health care system. Support meaningful restructuring of the state healthcare delivery system, stressing regional solutions that provide efficiency while

providing quality care, improved health care outcomes and appropriate funding to limit cost shifting. Oppose expansion of the delivery of health care services by the public sector that competes with the private sector.

Mandatory Health Insurance: Oppose government mandates that require employers to provide or pay for health insurance.

Civil Liability: Oppose legislation that would create civil liability for employers and their health plans.

Health Care Cost Drivers: Support proposals that would help to reduce the rate of increases in health care costs for employers and employees while protecting the quality of care.

Professional Liability: Support efforts to promote the availability of professional liability insurance for health care providers.

Medical Necessity Review Organization (MNRO): Oppose any legislation that would weaken the MNRO act.

Managed Care: Support the continued development of cost-effective managed care that ensures quality and access to appropriate medical services. Oppose attempts to limit or restrict purchasers' and their agents' efforts to negotiate for lower medical costs and exclusively contract for health care services when appropriate. Oppose legislation that imposes unreasonable requirements for credentialing or residency of medical professionals performing medical necessity review. Oppose regulatory efforts to impose unnecessary restrictions on utilization review. Oppose attempts to circumvent appropriate managed care cost containment strategies or controls.

Business Coalitions: Support efforts by business groups, organizations and health care coalitions to aid businesses in their quality improvement and cost containment efforts.

Alleviate Shortages: Support efforts to alleviate shortages of primary care physicians, nurses and other allied health care professionals as appropriate through, but not limited to, scholarships, training and continuing education so long as any use of the Incumbent Worker Training Fund is done only under the provisions of current law.

Health Care Commission: Support public policy efforts of the Louisiana Health Care Commission that will result in cost-effective delivery of quality health care services, access to care and appropriate benefits and will deal fairly with consumers, employers, providers and insurers.

Technology and Innovations: Support and encourage effective use of technology and innovations to deliver health care services.

State Benefits Program: Support actuarially cost-effective design, management and adequate funding of the Office of Group Benefits program.

Health Care Anti-trust Exemptions: Oppose legislation that would exempt any health care organization from anti-trust laws.

Licensing, Regulation and Scope of Practice: Oppose state imposition of restrictive licensing, regulations, or similar requirements that raise the cost of care.

Premium Tax Credit: Support efforts to preserve premium tax credits for insurers investing in qualified Louisiana investments and assessments paid to the guaranty associations.

Provider Taxes or Premium Taxes: Oppose efforts to develop or expand public programs through new taxes on health plans or health care providers that would increase the cost of employer-sponsored health care benefits.

ONGOING POLICY

Employer Programs: Support employer programs that provide for employee education, health and wellness promotion, managed care programs and other measures that enhance quality improvement and health care cost containment efforts.

Mandate Offset Credit: Support legislation to provide employers with a tax credit for every mandated health care benefit they are required to provide.

Long-Term Care: Support legislative efforts to investigate the features and economics of long-term care insurance.

Other Government Mandates: Oppose burdensome regulation of private healthcare organizations that are not necessary to protect consumers and that increase administrative costs ultimately borne by patients and health plan members.

Economic Development: Support state efforts to make health care a research and economic development engine for Louisiana.

—See also the Federal Program—

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SMALL BUSINESS

The future growth of the economy in Louisiana will greatly depend on maintaining a healthy industrial base coupled with a thriving small business community. Over 80 percent of LABI's membership is comprised of small businesses. LABI recognizes their concerns over the growing risk of liability associated with routine business operations and governmentally imposed costs and regulations.

KEY SMALL BUSINESS CONCERNS

1) Reduce high health care costs: LABI will support efforts to help employers offer or maintain employer-based health care coverage and oppose anything that would increase employers' health care costs.

Most employers recognize that after salaries or personnel compensation, health insurance coverage is the most important benefit they can offer to their employees. However, due to the ever-rising cost of health care, providing this benefit has been difficult if not impossible for small employers. Unfortunately, many employers are being forced to drop coverage because they simply can't afford it. Small businesses are finding it difficult to contain costs when commercial insurance costs are steadily rising, unnecessary government intrusions limit employer choices, and the imposition of new business taxes or fees are a constant threat. Therefore, more needs to be done to contain health care costs so as to make health insurance more affordable for small businesses and to give them more choices in the type of coverage needed for their companies.

2) Reduce the tax burden borne by business: LABI will oppose efforts to impose any new taxes or to increase existing taxes on Louisiana businesses.

Businesses in Louisiana pay a disproportionate share of taxes as compared to other states. Despite the abundance of natural resources Louisiana possesses, we fall short in the area of economic development because of our antiquated tax system. In order for Louisiana to be able to compete with other states, stronger efforts must be made to develop a fairer and more balanced tax system. This includes but is not limited to eliminating the corporate franchise tax, reducing sales taxes on manufacturing machinery and equipment, and balancing property taxes. More needs to be done to level the playing field, to provide incentives for businesses to come to Louisiana and to reduce the tax burden borne by business, especially small businesses.

3) Reduce the exorbitant cost of commercial lines of insurance: LABI will support efforts to reduce the cost of commercial insurance for small businesses, especially in the areas of workers compensation and liability. The cost of doing business in Louisiana is constantly on the rise. Unfortunately, businesses are forced to expend

resources defending suits that lack merit or fighting fraudulent claims rather than focusing on the bottom line. Rising commercial insurance costs are a major concern for all businesses. Notwithstanding the high cost of commercial insurance, many business owners struggle to find commercial coverage because many insurance companies are not willing to write policies in Louisiana. Therefore the following must be done to help keep commercial insurance costs under control:

- Make every effort to preserve reforms enacted in the liability area.
- Oppose efforts to impose any tort remedy in workers compensation cases.
- Support appropriate efforts to protect businesses from frivolous lawsuits.

MAJOR ISSUE

Grassroots Economic Development Contact Network

Work with the Louisiana Department of Economic Development, local chambers of commerce, and the Louisiana Industrial Development Executives Association to develop a grassroots network for economic development opportunities that utilizes the knowledge, contacts, and expertise of Louisiana business people.

CURRENT ISSUES

Sales Tax Collection: Support legislation to centralize the collection of sales tax.

Streamlining Taxes: Promote and support the streamlining of our state and local sales and use tax systems necessary for participation in the Streamlined Sales Tax Project.

Minimum Wage: Oppose legislation establishing a state minimum wage.

Frivolous Suits: Support appropriate legislation to discourage the filing of frivolous lawsuits and to curb abusive litigation tactics.

2004 Acts 1 and 2 (1st Extraordinary Session): Support the continuation of the phase-out of: (1) the state sales, use, and lease tax on manufacturing machinery and equipment; and (2) long-term debt from the corporate franchise tax base. Support legislative and regulatory changes that strengthen these provisions and further the legislative intent of improving economic development opportunities in this state.

Fees: Support legislation to limit or reduce the amount of fees assessed on small businesses.

Small Business Expo: Hold a small business expo to help small business owners obtain information about procurement opportunities with large corporations or government entities.

Incumbent Worker Training Program: Support measures that provide small businesses better access to the incumbent worker training fund. Oppose legislative attempts to shift monies out of the Incumbent Worker Training Program fund for purposes not already provided for under existing law.

Workers Compensation: Support legislation to reduce workers compensation (WC) costs by overturning liberal court decisions, addressing factors responsible for escalating medical costs, and opposing the imposition of any tort remedy in WC cases. Continue to participate in the Louisiana Workers Compensation Corporation, particularly in its capacity as WC insurer of last resort in Louisiana.

Mandated Benefits/Mandated Coverage: Oppose new or expanded governmentally mandated benefits in group health plans, except those benefits that are effective in controlling health care costs. Oppose new or expanded governmentally mandated payments by health plans for the benefit of a limited population or specific providers, except when there is a documented, actuarially positive benefit for such mandates. Oppose governmentally mandated employer-provided or employer-paid health insurance.

Right-to-Work/Agency Shop: Do everything necessary to maintain Louisiana as a Right-to-Work state, including opposing repeal through any “agency shop” legislation.

Project Labor Agreements: Support legislation that would prohibit the use of project labor agreements on publicly funded projects.

Government Contracts: Support an appeals process for small businesses that are discriminated against in federal, state and local government contract bids.

Government Competition: Restrict efforts by government to provide goods and services in competition with private businesses.

Department of Economic Development: Support additional emphasis by the Department of Economic Development on providing assistance to Louisiana’s small busi-

nesses. Pursue involvement of small businesses in the decision-making process of the Department of Economic Development.

Business Activity Tax: Oppose legislation that would impose additional or new taxes on business through a business activity, gross receipts, value-added, or any other similar taxing scheme, thus decreasing our ability to attract and retain jobs and investment in this state.

Energy Taxation: Oppose increased or new taxes or fees on energy sources, such as:

- a processing, transportation, or refinery tax;
- a change in the calculation of the natural gas or other energy franchise taxes which would increase the cost;
- an increased severance tax;
- a sales tax on natural gas transportation;
- a coastal wetlands environmental levy;
- a “first use” tax; or
- a minerals-in-place or reservoir tax.

Inventory Tax: Support retention of Louisiana’s inventory tax credit at the current level and explore ways to eliminate the tax completely.

Inheritance Tax and Gift Taxes: Support the phase-out or repeal of the gift tax.

Mandate Offset Credit: Support legislation to provide employers with a tax credit for every mandated health care benefit they are required to provide.

Business Tax Burden: Oppose the elimination, reduction or modification of any tax exemptions, deductions, exclusions or credits, including the inventory tax credit. Oppose the imposition or increase of any taxes or fees, including those on energy or energy resources, which would increase the imbalance in the tax/financial burden borne by business in Louisiana. Support efforts to limit or reverse judicial expansion of the business tax burden.

Cost of Service: Oppose legislation that would shift the cost of electricity service from one class of consumer to another. Oppose imposition of taxes or fees to subsidize energy assistance programs within the Public Service Commission.

ONGOING POLICY

Industry Training/Workforce Development: Promote cooperative efforts between business owners, education institutions and the Department of Labor to ensure that workforce training programs are easily available to small businesses in Louisiana, are updated regularly and are customized to meet the needs of small business owners.

Education: Continue to support efforts to improve the quality of education at all levels in Louisiana by making the best possible use of tax dollars spent on education, to try new or more effective methods of education, and to demand better accountability, which will improve the quality of the workforce and economic prosperity in the state.

Unemployment Compensation Trust Fund: Oppose legislation that would jeopardize the solvency of the UC Trust Fund, expand the use of the UC Trust Fund for any purpose other than UC benefits, or would repeal or dilute previously enacted UC reforms. Support efforts to further tighten the eligibility requirements for receiving unemployment benefits, and impose stronger penalties for fraudulent claims.

Tort Reform: Oppose liberalization of Louisiana's tort laws with specific emphasis on preserving reforms enacted in the following areas: strict liability, joint and several liability, punitive damages, product liability, class actions and government liability.

Public Bid Law: Oppose any efforts to circumvent or make exceptions to the public bid law and support legislation to strengthen its enforcement.

Preference Laws: Support bid preference laws only on a reciprocal basis against companies from states that deny or restrict opportunities for competition by Louisiana businesses.

Labor Relations: Support legislation to prohibit state or local government interference with employers' rights and protections as provided under existing federal laws governing labor/management relations. Oppose any state legislation designed to weaken employers' protections under existing federal laws governing labor/management relations.

Government Efficiency: Support efforts to operate state government in a more efficient, cost-effective and fiscally responsible manner, including privatizing services wherever feasible.

Small Business Financing: Support legislation providing incentives for commercial financial institutions to extend credit to small businesses.

Government Prompt Payment: Support prompt payment legislation that would require state and local governments to pay their bills within 30 days and to be subject to interest, fines and penalties.

Prison Enterprises: Oppose expansion of prison enterprises or inmate labor and services not used solely in prison facilities, and support legislation requiring a public certification process, including economic impact studies, prior to the establishment of such programs.

Regulatory Burden: Support the reduction of the regulatory burden on all businesses, especially small businesses.

Double Recovery: Support legislation to eliminate double recovery of damages.

—See also the Federal Program—

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TAXATION and FINANCE

LABI will promote the retention and creation of jobs and businesses in the state, while opposing any new or increased business taxes or fees.

MAJOR ISSUE

Continue advances in economic development by:

(1) supporting measures that create and retain jobs in this state; and

(2) opposing new or increased business taxes or fees.

LABI has long been the voice for the elimination of tax disincentives that weaken and discourage jobs and economic activity in our state. During the 2004 1st Special Session, the legislature enacted two significant measures to encourage capital investment and the retention and creation of jobs in our state: (1) 2004 1st Special Session Act No. 1, which phases out the state sales tax on manufacturing machinery and equipment over six years beginning July 1, 2004; and (2) 2004 1st Special Session Act No. 2, which phases out the debt portion of the corporate franchise tax base over a six-year period beginning January 1, 2006.

LABI will support the continuation of the phase-outs of these two tax disincentives, while also promoting other changes and modifications to our tax policy to improve the retention and creation of jobs in our state.

Today, businesses in Louisiana continue to pay a disproportionate share of the tax burden as compared with other states. For example, business pays over 85% of all property taxes in the state, primarily due to the generous \$75,000 homestead exemption for residential homeowners, which is the highest in the country. Business also pays 100 percent of the corporate income and franchise tax, 50-65 percent of all state and local sales taxes, significant charges in the form of fees to governmental agencies, and small businesses pay a substantial portion of the personal income tax.

In holding the line on any business tax or fee increase, LABI will:

- Support efforts to limit or reverse judicial and regulatory expansion of the business tax burden.
- Continue to educate the public, the media and public officials regarding (a) Louisiana's tax structure, (b) the imbalance in the tax burden borne by business, (c) the benefits of a competitive, properly balanced and pre-

dictable tax system, and (d) needed fiscal and spending reform.

- Oppose the imposition or increase of any taxes or fees, including an oil and gas processing or transportation tax, that would increase the imbalance in the tax/economic burden borne by business in Louisiana.

—Direct Small Business Impact—

CURRENT ISSUES

Spending and Fiscal Reform: Support spending and fiscal reforms that promote the growth and diversification of the state's economy. Support spending reform measures to restore voter confidence in state government, and thereby create a climate for fiscal reform, such as:

- efforts to manage budget deficits without new or increased taxes or fees;
- prioritized spending;
- gradually shifting to local governments the primary responsibility of funding local services; and
- achieving cost-savings through the elimination or consolidation of programs and/or agencies that would not have a detrimental impact on the delivery of needed services.

Support tax modifications at both the state and local levels, which in general would have the effect of:

- a revenue-neutral shift from state sales/use taxes to income taxes that would stimulate the economy through the elimination of tax disincentives on business, in conjunction with
- a reduction in both the homestead exemption and the industrial property tax exemption program that would enhance the tax base of local governments with which to fund local services including education, police, fire, and capital outlay.

Oppose further expansion of state government, at least until economic growth provides additional, stable revenue from the existing tax base.

Fiscal/Tax Policy: Support measures to correct the imbalance in the tax burden borne by business and to encourage industrial and business investment in Louisiana. Such measures should include: (1) eliminating or phasing out the sales and use taxes on business utilities; (2) eliminating inconsistencies in the administration of the state and local tax systems; (3) allowing Louisiana taxpayers to avoid unnecessary tax payments to the federal government; (4) shifting the financing and delivery of many governmental services from the state level to the local level; and (5) eliminating the local sales/use tax on repairs to property that will be shipped out of state. Oppose measures to increase the homestead exemption, which would further shift the property tax burden on to business.

Industrial Tax Exemption: Oppose efforts to restrict the availability of the industrial property tax exemption program, including efforts to tie the exemption to considerations not directly related to industrial development.

Processing Tax: Oppose efforts to impose any type of processing tax.

2004 Acts 1 and 2 (1st Extraordinary Session): Support the continuation of the phase-out of: (1) the state sales, use, and lease tax on manufacturing machinery and equipment; and (2) long-term debt from the corporate franchise tax base. Support legislative and regulatory changes that strengthen these provisions and further the legislative intent of improving economic development opportunities in this state.

Tax Incentives: Support the availability of fair and equitable tax incentives for economic development, including those for job retention, job creation, and facility modernization. Support business tax measures that encourage the retention or relocation of jobs and business to this state. Oppose efforts to weaken Louisiana's existing economic development incentives.

Sunsetting Exemptions: Support the continuation of the statutory business tax incentives, exemptions and exclusions as they are scheduled to expire.

Business Activity Tax: Oppose legislation that would impose additional or new taxes on business through a business activity, gross receipts, value-added, or any other similar taxing scheme, thus decreasing our ability to attract and retain jobs and investment in this state.

Combined Reporting (Unitary Tax): Oppose efforts to impose mandatory combined reporting for corporate income tax purposes, as the imposition of this reporting method would have a detrimental impact on economic development in the state.

Dedicated Expenditures: Support efforts to allow cuts to dedicated expenditures (those *without* a dedicated revenue source) when state revenues, as certified by the Revenue Estimating Conference, are below those of prior years.

enue source) when state revenues, as certified by the Revenue Estimating Conference, are below those of prior years.

Constitutionally Dedicated Expenditures: Oppose efforts to redirect trust fund dollars (those *with* a dedicated revenue source) to expenses other than those to which they are constitutionally dedicated.

Statewide Centralized Collection: Support measures to promote consistency in the administration of the state and local sales tax systems, including measures to promote statewide centralized collection and administration of local sales taxes.

Sales Taxes: Oppose measures to levy or authorize additional statewide sales taxes, or to levy or authorize local sales taxes without voter approval.

Statewide Taxing Districts: Oppose measures to create a statewide taxing district, whose boundaries are coterminous with the state, which has the authority to levy sales, use, or any similar tax for any purpose.

Fees For Services: Support legislation codifying present jurisprudence, which provides that the imposition or assessment of charges or fees, by or for the benefit of the state or any board, department, or agency of the state, should not either: (1) have raising revenue as its primary purpose, or (2) clearly and materially exceed the cost of regulation or conferring special benefits upon those assessed (*Audubon Insurance, et al v. Bernard, et al*) (La. 1983).

Tax Administration: Support measures to limit abuse of authority by state and local tax collectors. Support measures restricting the imposition on taxpayers of attorney fees and audit costs of state and local governments in tax cases.

Refund Procedures: Support taxpayers' fundamental right to a prompt refund of taxes not due to a taxing authority.

Vote Requirement for Tax Relief: Oppose restrictions on the ability of the Legislature to lower taxes or grant tax relief.

Property Tax Assessments: Support legislation to promote uniformity and to simplify the procedures for contesting property tax assessments. Study and support appropriate and necessary reforms to the property tax system. Support legislation and changes in the Louisiana Tax Commission rules and regulations to improve the accuracy of assessments. Oppose efforts by assessors to tax component parts of motor vehicles. Support the current use value system for determining the assessed value of property that is classified as agriculture, timberlands, horticulture and marshlands.

Property Taxes: Support a reduction in the ad valorem tax on property acquired by public service entities after deregulation of those companies has been implemented. Any revised system of public service property taxation should not result in a shifting of the property tax burden from regulated to non-regulated businesses.

Direct Pay Permits: Support measures to expand the availability of sales and use tax direct pay permits to all affected industries.

Tax Elections: Support a reduction in the excessive number of local tax election dates to afford taxpayers a reasonable opportunity to evaluate the merits of tax proposals.

Mineral Property Taxes: *See* the Energy Council Program, page 26.

Hazardous Waste Tax: *See* the Environmental Quality Council Program, page 29.

ONGOING POLICY

Cost-Savings in Government: Support the creation of an ongoing “Cost-Savings in Government” coalition, focusing on identifying potential cost savings in government.

Prevailing Wage: *See* the Employee Relations Council Program, page 25.

State and Local Taxes: Support a competitive business tax environment for Louisiana’s industries that are subject to substantial interstate competition.

Retirement Systems: *See* the Governmental Reform Program, page 31.

Government Efficiency: Support efforts to operate state government in a more efficient, cost-effective and fiscally responsible manner, including privatizing state government services where feasible.

Advance Collection of Sales Tax: Support legislation to eliminate the advance collection of sales and use tax by wholesalers.

Capital Outlay Program/Highway Priority Program: Support strengthening the capital outlay program controls,

and oppose attempts to weaken the Highway Priority Program.

Inheritance Tax and Gift Taxes: Support the phase-out or repeal of the gift tax.

Annexation: Support legislation to require municipalities to notify affected property owners before annexing any property.

“Fiscal-Only” Legislative Sessions: Support the continuation of a system of alternating fiscal/non-fiscal legislative sessions.

—*See also* the Federal Program—

Contact: John LeBlanc (225/928-5388 ext. 256; or JohnL@LABI.org) As a Board Certified Tax Attorney and CPA (inactive), John has an in-depth knowledge of the taxation and fiscal issues confronting LABI’s members. He serves as Director of the Taxation and Finance Council and as a Senate floor lobbyist.



John LeBlanc
Director
Taxation and Finance Council
LABI



Donna Carville
Chair
Taxation and Finance Council
Dow Chemical

TRADE, TOURISM AND TRANSPORTATION

LABI supports maintaining an economic and political climate in which Louisiana's trade, tourism and transportation industries can flourish.

CURRENT ISSUES

Highway Priority Program: Support the use of objective criteria, including fostering economic development, to prioritize funding for state highway construction projects. Oppose allowing the legislature to add or substitute projects in the final construction program.

State Infrastructure: Monitor and evaluate proposals to fund and improve air, land, and water transportation affecting trade and tourism.

Air Transportation: Support the development of adequate air transportation facilities in Louisiana.

Ports: Actively support the development of major intermodal port facilities in Louisiana.

Port Priority Program: Actively support the port priority program for intermodal port facilities in Louisiana.

ONGOING POLICY

River Pilotage: Monitor the effectiveness of Act 902 of the 2004 Regular Session pertaining to the regulatory structure for pilotage with the overall objective of establishing safe, reliable, and cost-effective pilot service.

Business Tax Burden: Oppose tax increases that would have a negative impact on trade, tourism or transportation.

Business Fees: Oppose fees and fee increases that exceed the cost of funding the programs for which they are assessed that would have a negative impact on trade, tourism or transportation.

International Trade: Support legislation that promotes national and international trade opportunities for Louisiana businesses. Oppose legislation that restricts free trade.

International Tourism: Support continuation of tax-free shopping as an incentive to attract international tourists.

Minimum Wage: Oppose legislation establishing a state minimum wage.

International Marketing: Support the creation of a central clearinghouse to coordinate the international marketing efforts of state government agencies.

Tourism Promotion Funding: Support adequate revenues dedicated to the promotion of Louisiana tourism.

State Beautification: Support and encourage all reasonable efforts to eliminate litter in Louisiana, including anti-litter public campaigns and better enforcement of existing litter laws.

International Trade Promotion: Monitor and evaluate legislation and other activities in Louisiana with regard to the promotion of international trade.

Free Enterprise: Oppose any government restrictions that would make Louisiana businesses less competitive relative to businesses in other states.

Maritime Industry: Monitor efforts of the Mississippi River Corridor Initiative regarding factors that impact competition and economic viability of Louisiana maritime commerce.

—See also the Federal Program—

Contact: Bruce Bradley (225/928-5388 ext. 259; or BruceB@LABI.org). As Director of the Trade, Tourism and Transportation Council, Bruce handles issues impacting Louisiana's tourism and international trade industries, as well as transportation matters. He is also Assistant Director of Political Action and a House floor lobbyist.



Bruce Bradley
Director
Trade, Tourism and Transportation
Council
LABI



Greg Bowser
Chairman
Trade, Tourism and Transportation
Council
Louisiana Chemical Association

FEDERAL PROGRAMS

CIVIL JUSTICE REFORM

Tort Offense: Support appropriate tort legislation that would protect individuals, professionals and businesses from unreasonable or excessive judicial awards.

Disaster Insurance: Support the Policyholders Disaster Protection Act, which would allow insurance companies to set aside pre-tax dollars in a disaster reserve account.

Government-sponsored Lawsuits: Support efforts to stem the tide of government-sponsored litigation.

Class Action Lawsuits: Support federal class action reform.

Substance Exposure Liability: Support appropriate legislation that would establish medical criteria that separate the sick from those who are not and compensate only those who are sick. This legislation would guarantee those who are healthy their day in court if, and when, they become ill. Support appropriate legislation that ensures that liability based on exposure to allegedly injurious or hazardous substances, including, but not limited to asbestos, mold and silica, is supported by reliable scientific evidence and that monetary awards for exposure compensate only to the extent of injuries actually sustained.

Contact: Jonica Coates (225/928-5388 ext. 255; or JonicaC@LABI.org)

EMPLOYEE RELATIONS

Workers Compensation: Support legislation to simplify the Medicare Secondary Payor Act in regards to settlements of WC claims.

Right-to-Work: Oppose legislation to repeal or weaken Section 14B of the Taft-Hartley Act, which authorizes state Right-to-Work laws.

Ergonomics: Oppose any Occupational Safety and Health Administration (OSHA) rule which requires employers to meet an unreasonable and costly ergonomics standard established without scientific validation of its value.

Federal Minimum Wage: Oppose any increase in the federal minimum wage.

Unemployment Compensation: Support legislation to lower federal unemployment taxes by giving states the authority to collect and appropriate Federal Unemploy-

ment Tax Act (FUTA) revenues to operate their employment security agencies.

Unemployment Compensation: Support legislation to allow small business owners to forgo paying UC taxes on themselves by electing to be excluded from unemployment benefits.

Unemployment Compensation: Oppose legislation that would liberalize UC benefits and/or increase employers' costs.

Mandated Employee Benefits: Oppose increased costs on employers resulting from governmentally mandated benefits, including parental leave and health care plans.

Drug-Free Workplace: Support legislation to promote a drug-free workplace.

Comparable Worth: Oppose attempts to impose "comparable worth" in the workplace.

Striker Replacement: Oppose legislation that would prohibit an employer from hiring permanent replacement workers for employees who walk off the job.

Federal Intervention in Benefit Plans: Oppose legislation and regulations that restrict employers or place further burdens on employers sponsoring benefit plans, including cafeteria plans.

National Labor Relations Act (NLRA): Continue to support legislation that would remove the requirement that unions represent nonmembers in a bargaining unit. Oppose legislation that would expand the NLRA to facilitate union organizing, prohibit construction industry double breasting or allow *common situs* picketing, and support legislation to restrict liberalization promoted by the National Labor Relations Board and the courts.

Employee/Management Teams: Support amendments to the NLRA that would permit both union and nonunion employees to share decision-making responsibility with management.

Davis-Bacon Act: Support repeal of the Davis-Bacon Act.

Federal Employees Wage Garnishment: Support legislation to allow garnishment of federal employees' wages.

Contact: Jim Patterson (225/928-5388 ext. 257; or JimP@LABI.org)

ENERGY

Federal Leasing and Regulatory Programs: Support legislation that seeks to establish aggressive Outer Continental Shelf (OCS) and Arctic National Wildlife Refuge leasing programs for oil and gas development. Revenues from such production should be shared with states that permit such activities. Oppose any efforts to restrict leasing on federal and OCS lands. All potential reserves must be explored and added to the nation's production, and a balanced program between environmental and economic concerns must be achieved, rather than withdrawing properties based on unwarranted environmental pressures.

Revenue Sharing: Support efforts to assure a fair and equitable distribution of revenues from offshore oil and gas production.

CAFE: Oppose raising Corporate Average Fuel Economy standards which would unreasonably burden businesses; that would cause trucks, vans and SUVs to be less effective in towing capability; and that would reduce fleet safety.

Royalty Valuation: Support improvements in the method by which the federal government values and collects oil and gas royalties from leases on federal property. Those improvements should be designed to create a more efficient system that adds fairness, certainty and simplicity to the royalty valuation process while preserving the lease terms agreed upon by the producer and the federal government.

Oilfield Wastes: See the Environmental Quality Council federal program, page 30.

Risk Assessment: Support legislation that will attach cost-to-risk assessments to the process by which rules are promulgated.

Oil Spill Financial Responsibility: Support federal legislation to correct provisions of the Oil Production Act of 1990, which extended the \$150 million fiscal responsibility requirements to onshore jurisdictions.

Wetlands: Oppose any regulatory efforts by the Department of the Interior that would impede or curtail oil and gas exploration and production in the wetlands.

Energy Taxation: Support federal taxation policies that would preserve domestic energy security by stimulating exploration and production. Such incentives would assist energy-intensive industries, which are suffering from high-energy costs and foreign competition, as well as the energy-producing industry. Also, oppose additional gasoline and special fuels taxes as a source of revenues for non-highway purposes.

Competition: Support a fair and fully competitive retail electricity market that allows all consumers the right to choose their supplier of electricity.

Natural Gas Deregulation: Support legislation to remove all governmental barriers to competitive pricing and accessibility to all onshore and offshore production, transportation and use of natural gas.

Energy Development: Assist in the development of a program that will promote use of Louisiana energy sources but does not unduly favor one energy form over another.

Federal Research Funding: Support legislation that would provide for the use of federal fossil fuel funding for research and development related to oil and gas exploration and production and efficient utilization of energy resources.

Nuclear Fuel: Support legislation which would ensure the long-term viability of nuclear power for electricity generation, assure safe storage of spent nuclear fuel, and require safe transportation of nuclear products.

Contact: Ginger Sawyer (225/928-5388 ext. 244; or GingerS@LABI.org)

ENVIRONMENTAL QUALITY

Ozone Transport and Attainment: Oppose interstate ozone transport strategies that may worsen Louisiana air quality or that cannot be supported by a scientifically valid cause-and-effect relationship. Encourage the EPA to complete redesignation of all the parishes that are meeting and will continue to meet the air quality standard for ozone.

Ozone Attainment: Support modification of the Clean Air Act to allow extension of the attainment year for ozone non-attainment areas. Encourage EPA to issue guidance regarding baseline year emissions to allow credit for emission reductions, averaging of emissions from years other than the non-attainment year, and exemptions.

Permits: Support and encourage the granting of permits that are valid for the life of the facility.

Kyoto Protocol: Oppose Senate ratification and presidential approval of the Kyoto global warming treaty, or any legislative proposal with similar provisions, unless developing countries are included in its requirements, which must be based on valid, peer-reviewed science, and the U.S. is not disproportionately affected by the mandated greenhouse gas emissions reductions.

EPA Overfiling: Oppose EPA's filing separate enforcement actions after an agreement has been reached between the state and a regulated entity under a federally delegated program. The regulated community should be able to achieve finality when it resolves an environmental dispute with DEQ (or any other state agency) in a program that has been "delegated" to the state of Louisiana by the EPA. LABI will work to eliminate EPA "overfiling," as this practice places the regulated community in a double-jeopardy type situation.

Environmental Justice: Oppose the use of “environmental justice” as a means of stopping economic development. Assure the rights of minorities are protected under the Civil Rights Act.

Rule Flexibility: Support legislation and regulations that provide for regulatory flexibility in return for improved environmental performance.

Clean Air Regulations: Support Clean Air Act implementing regulations that are reasonable, cost-effective and workable. Support efforts to prevent tightening of National Ambient Air Quality Standards (NAAQS). Support additional reforms to the New Source Review (NSR) rules by EPA.

Superfund: Support comprehensive reforms to the existing Superfund program by prioritizing and speeding up cleanup, repealing retroactive liability, setting reasonable cleanup standards based on sound science, and opposing the imposition of new taxes.

Landowner Rights: Oppose the regulation of any use or condemnation of private property unless based on adequately demonstrated public need. Support legislation to require the governing body to deal openly with the landowner and to adequately compensate property owners for loss of use or devaluation of their property caused by environmental regulations, laws or policy.

Wetlands: Support clear, consistent Corps of Engineers implementation of wetlands regulations. Encourage the development of regulations and policies that exempt non-viable wetlands from regulation. Support the development of mitigation banking policies and regulations that maintain economic competitiveness in an impacted watershed.

Environmental Audits/EPA: Encourage the EPA to amend its Policy on Self-Policing to make the “protections” legally binding; eliminate or reduce the number of conditions a company must meet to obtain these protections; and make the Policy clear, meaningful and useful to businesses conducting environmental self-audits.

General Environmental Legislation: Support federal environmental legislation that balances environmental concerns with economic realities and is workable, practical, equitable and consistent.

Cost-Benefit Analysis: Support legislation that will require cost-benefit assessments to be included in the process by which rules are promulgated.

Waste Bans: Support resolution at the federal level of interstate waste shipment and disposal issues.

Oilfield Wastes: Oppose legislation that would unilaterally reclassify oilfield wastes as hazardous or any other inappropriate classification. LABI supports the EPA’s current definition of hazardous wastes related to oil and gas exploration and production activities.

Gulf of Mexico Program/Barataria-Terrebonne National Estuary Program: Support programs that are based on scientific information and that balance environmental concerns with economic development; encourage DEQ and LABI members to participate to the greatest extent possible and to communicate the programs’ progress with other members and the public.

Contact: Emily Stich (225/928-5388 ext. 262; or EmilyS@LABI.org)

HEALTH CARE

Association Health Plans: Monitor legislation to allow small business owners to band together across state lines to buy insurance in large pools, thus increasing the economies of scale, lowering administrative costs, and giving them more flexibility in the health benefits they wish to include or exclude from coverage than state benefit mandates allow. Support measures to ensure that such coverage is provided by financially sound entities.

Professional Liability: Support legislation that limits the professional liability of health care providers, provided that federal law does not preempt stricter state law.

Mandated Benefits: Oppose new or expanded governmentally mandated benefits under employer health plans, except those benefits that are effective in controlling health care costs. Oppose new or expanded governmentally mandated payments by health plans for the benefit of a limited population or specific providers, except when there is a documented, actuarially positive cost/benefit for such mandates.

Patients’ Bill of Rights: Support a patients’ bill of rights that provides legitimate consumer protection without creating new liability for employers or their health plans or creating costly new mandates. Support consumers’ right to an appeals and external review process as an alternative to expanded liability, similar to the provisions found in Louisiana’s Medical Necessity Review Organization (MNRO) statute.

National Health Care Plan: Support legislative and other efforts fostering market-driven, community-based health care reform. Those efforts should emphasize expanded, secure access to cost-effective, quality care. Oppose federal employer mandates that burden businesses. Oppose a federal monopolistic health care/single payor system.

Civil Liability: Oppose legislation that would inappropriately create civil liability for employers and their health plans.

ERISA: Support continued federal pre-emption of state insurance laws and regulations as provided through the Employee Retirement Income Security Act of 1974 (ERISA).

Rights of Choice: Support legislation that will maintain the right of the employer and the employee to choose their own health care carriers.

Referral Practice Review: Review federal studies of the effectiveness of health care delivery through a competitive health care market. Support study recommendations that prohibit inappropriate referral practices.

Managed Care: Oppose restrictions in managed care that would reduce its effectiveness and increase employers' costs.

Business Coalitions: Support efforts by business groups, organizations and health care coalitions to aid businesses in their quality improvement and cost containment efforts.

The Uninsured: Make employer-based health care coverages more feasible by supporting reforms designed to: 1) reduce or eliminate mandated health care benefits; 2) lessen the impact of litigation on health care costs; 3) reduce the health care cost shifting from the public sector to private employers; 4) provide fair, reasonable and appropriate incentives for employer-provided health insurance; and 5) replace the state's archaic indigent health care system with a more cost effective method of providing necessary medical services to the poor.

Contact: Bridgette J. Richard (225/928-5388 ext. 258; or BridgetteR@LABI.org)

SMALL BUSINESS

Unemployment Compensation: Support legislation to allow small business owners to forgo paying UC taxes on only themselves by choosing not to be eligible for unemployment benefits.

OSHA: Support efforts to reform the Occupational Safety and Health Administration (OSHA) provisions that have an adverse impact on small business.

Estate Tax: Support the continuation of the phase-out of the estate tax, expedite the phase-out, and make the phase-out permanent.

Retirement Systems: Support consolidation of all federal retirement systems and eliminate all special retirement systems.

Social Security: Support legislation that would require all employees, including federal, state, and local employees, to pay into the Social Security System.

The Americans With Disabilities Act: Oppose liberalization of the Americans With Disabilities Act (ADA). Support revisions to the ADA that would help curb the excess litigation that negatively impacts businesses and the economy.

Government Contracts: Support an appeals process for small businesses that are discriminated against in federal, state and local government contract bids.

Government Competition: Restrict efforts by government to provide goods and services in competition with private businesses.

Regulatory Burden: Support the reduction of the regulatory burden on all businesses, especially small businesses. Support legislation to streamline and simplify the permitting process for wetlands.

Unfunded Federal Mandates: Oppose unfunded federal mandates on state and local governments or businesses.

Small Business Financing: Support legislation providing incentives for commercial financial institutions to extend credit to small businesses, including SBA and USDA guarantee programs.

Contact: Bridgette J. Richard (225/928-5388 ext. 258; or BridgetteR@LABI.org)

TAXATION AND FINANCE

Business Tax Burden: Oppose any increase in the federal tax burden on business.

Economic Stimulation: Support legislation that would stimulate the economy by allowing taxpayers to keep more of their own money for investment in the private sector. Support the continuation of the Renewal Communities Initiative.

Spending Reduction: Since the financing of large government deficits each year consumes much of the capital that would otherwise be available for business investment needed to improve productivity and create jobs, support programmatic review and serious consideration of reasonable, specific spending cuts. LABI supports program-specific reductions as a preferred alternative to an across-the-board spending freeze.

Taxation of Employee Benefits: Oppose the elimination of tax exclusions and deferrals on health, pension and disability benefits. LABI recognizes that such elimination could help close the budget deficit in the short term; however, the long-term effects on Social Security, Medicare and other government social programs may be greater than those systems can sustain.

Sales Taxes on Interstate Sales Transactions: Support efforts to authorize state and local governments to require the collection of sales taxes on interstate, catalog, mail order or Internet-type sales transactions.

Constitutional Spending Restraint: As a further safeguard that interest payments on deficit spending will not drain capital from investment purposes, support efforts to enact a constitutional amendment to require a balanced budget. Total expenditures should not exceed actual (versus anticipated) revenues.

Federal Budget: LABI supports restraints on federal off-budget spending.

IRS Abuses: Support legislation furthering the rights of taxpayers in dealing with the Internal Revenue Service (IRS), limiting the regulatory authority of the Treasury Department and the IRS, and increasing their accountability for unreasonable and arbitrary conduct in the issuance of regulations or the collection of taxes.

Taxes/Fees on Virgin Materials: Oppose legislation to impose a tax or fee on the use of virgin materials.

Contact: John LeBlanc (225/928-5388 ext. 256; or JohnL@LABI.org)

TRADE, TOURISM AND TRANSPORTATION

Rail Competitiveness Act: Support federal legislation to allow competition among railroads.

Homeland Security: Support the development of a fair and equitable method of allocating homeland security costs.

Free Trade: Support measures that will promote fair and free trade and enhance the international trade sector of Louisiana's economy, including Trade Promotion Author-

ity, which grants the President, with Congressional approval, the ability to negotiate trade agreements that will open markets for U.S. businesses on the world stage.

International Trade: Support federal tax incentives that enhance the global competitiveness of Louisiana businesses.


Expanded Research: Support increased efforts to provide international trade and tourism research in the U.S. Department of Commerce.

Federal Trade and Tourism: Support federal international trade and tourism promotion activities.

State Infrastructure: Monitor and evaluate proposals to fund and improve air, land, and water transportation affecting trade and tourism.

Highway Trust Fund: Support Congressional authorization for Louisiana and other states to obligate all of the states' federal highway apportionments and allocations each fiscal year. Support legislation to return 100 percent of federal motor fuel taxes to the states of origin.

Contact: Bruce Bradley (225/928-5388 ext. 259; or BruceB@LABI.org)



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Be A Part Of The Process

Join a Council or Task Force Today!

LABI gains its strength from its members. You are encouraged to actively participate in councils and task forces that study issues, formulate positions and advise LABI on strategy and policy. Positions LABI takes on issues in the Legislature, in Congress and before administrative agencies and the judiciary are initiated by its members.

- The **Civil Justice Reform Council** seeks to ensure a balance between the rights of plaintiffs and the rights of defendants in Louisiana's civil justice system.
- The **Education & Workforce Development Council** seeks ways to improve Louisiana's elementary, secondary, vocational-technical and higher education systems.
- The **Employee Relations Council** considers existing and/or needed legislation to lower costs in the areas of unemployment and workers compensation.
- The **Energy Council** monitors programs affecting the cost and supply of all energy sources.
- The **Environmental Quality Council** seeks to establish rational, realistic environmental goals that provide for orderly economic growth while protecting and improving the environment.
- The **Health Care Task Force** works to ensure a cost-effective, competitive health care market.
- The **Small Business Council** helps to identify the special needs and problems of small businesses. It then funnels these issues through LABI councils for action.
- The **Taxation & Finance Council** works to provide an equitable distribution of the tax burden in Louisiana.
- The **Trade, Tourism & Transportation Council** seeks ways to maintain an economic and political climate in which Louisiana's trade activity and tourism industry can flourish.
- The **Unemployment Comp Task Force** makes recommendations to the Employee Relations Council for action on unemployment compensation issues.
- The **Workers Comp Task Force** makes recommendations to the Employee Relations Council for action on workers compensation issues.

To be active in one of these councils or task forces, contact LABI at (225) 928-5388.

