

LABI

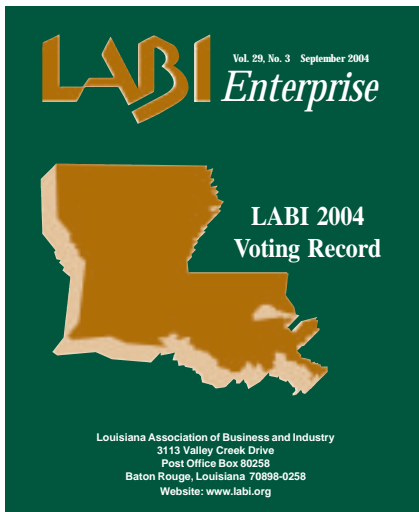
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Enterprise



LABI 2004 Voting Record

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Louisiana Association of Business and Industry



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Enterprise

On the Cover

LABI presents the 2004 legislative voting record, beginning on page 2.

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Mission

LABI's mission is to foster a climate for economic growth by championing the principles of the free enterprise system and by representing the general interests of the business community through active involvement in the political, legislative, judicial and regulatory processes.



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Foreword

Steve Stumpf
LABI Chairman of the Board

In this issue of *The Enterprise*, we are proud to present LABI's annual legislative voting record. The voting record is a compilation of legislators' votes on key business issues considered during the recent special and regular legislative sessions. The record tells you, in no uncertain terms, if your senators and representatives are voting in your best interest at the Capitol. I know you'll find it informative and useful. Share it with your friends and business colleagues.

We are now beginning the program development process at LABI. Councils and task forces will meet and formulate the 2005 LABI Program of Work. If you're not serving on a council or task force, please consider joining one today. LABI's program comes from its members, and participating in councils and task forces will ensure that your voice will be heard.

Don't forget to mark your calendars and plan to attend the annual LABI golf tournament on September 27 in Baton Rouge. And, be sure to leave January 18, 2005 open for the LABI annual meeting.

Best wishes for a healthy and prosperous fall.

Sincerely,

Steve Stumpf

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Right-To-Work Laws Make A Difference

Dan Juneau, President
Louisiana Association of Business and Industry

Workers in Louisiana are fortunate. They cannot be compelled to join a union to get a job, because almost 30 years ago, the Louisiana Legislature passed a Right-to-Work law. As hard as it may be to believe, there are states in America where workers don't enjoy this freedom. Nearly every state in the Northeast and Midwest has refused to protect their workers as we do in Louisiana.

Our Right-to-Work law simply provides that employees cannot be forced to join or pay dues to a union as a condition of employment. The law was enacted in 1976 after a long and difficult legislative battle between organized labor and the business community. Over the years that followed, organized labor has attempted to convince the Legislature to repeal this law, but our lawmakers always elected to sustain the right of workers to decide whether or not to be associated with a union.

The Legislature's wisdom in retaining Louisiana's Right-to-Work law is confirmed in an article that appears in this month's *Site Selection* magazine. Entitled "Locked In On Labor: Right-to-Work laws turn the Southeast U.S. into a factory for the world," the article's observations and conclusions are instructive, and they reinforce the importance of Louisiana's Right-to-Work law in attracting new industries.

Site Selection magazine is a monthly publication that covers issues relevant to the decisions companies make about where to locate their operations. The magazine is read by corporate executives, state and local economic developers, and location consultants from around the country, all of whom have a stake in the fierce competition for business investment.

A recent article about the impact of Right-to-Work laws on economic development reports that the existence of such laws in all states below the Mason-Dixon line has made them the focus of manufacturers in search of new sites. As one loca-

tion consultant declares in the article, "Every client I go to wants to go to a Right-to-Work state—every one of them." The only state in the Northeast and Midwest that has a Right-to-Work law is Iowa, and the *Site Selection* article observes that Northeast and Midwest states are losing their manufacturing jobs, many of which are going to states in the South.

The article notes that a company's potential for greater workforce productivity is enhanced in Right-to-Work states, because employers there have greater flexibility in the use of their workers, which yields better performance and profitability. Without the restrictions of union-required rules that tie the hands of plant managers in the North, non-union manufacturers in the South are able to better utilize their workers' skills to achieve higher productivity.

State leaders would do well to remember that they are not just competing with other states for manufacturers and the jobs they bring, but with other countries as well. The increased productivity experienced by southern manufacturers is critical in the global marketplace. As one consultant interviewed by *Site Selection* magazine remarks, "If companies cannot find ways to increase productivity, they are going to shut down and relocate, particularly in a time when they are facing increasing competition from China and India."

Enactment of our Right-to-Work law put Louisiana on the economic development map in the mid-1970s. *Site Selection* magazine concludes that Right-to-Work laws are an even greater factor today than in the past when manufacturers consider where to locate or expand operations.

Our Right-to-Work law simply provides that employees cannot be forced to join or pay dues to a union as a condition of employment.

LABI 2004

Voting Record

Overview

The uncertainties surrounding a new administration, many new faces in the Legislature, and the potential impact of term limits created some apprehension in the business community going into the first year of this new legislative term. That apprehension turned into cautious optimism after the Special Session in March and the 2004 Regular Session, as LABI and Governor Blanco were allied on several important issues and worked together to help enact reforms that will enhance Louisiana's economic environment.

LABI's top priority for 2004 was to solve the business community's most pressing problems. Here are some highlights:

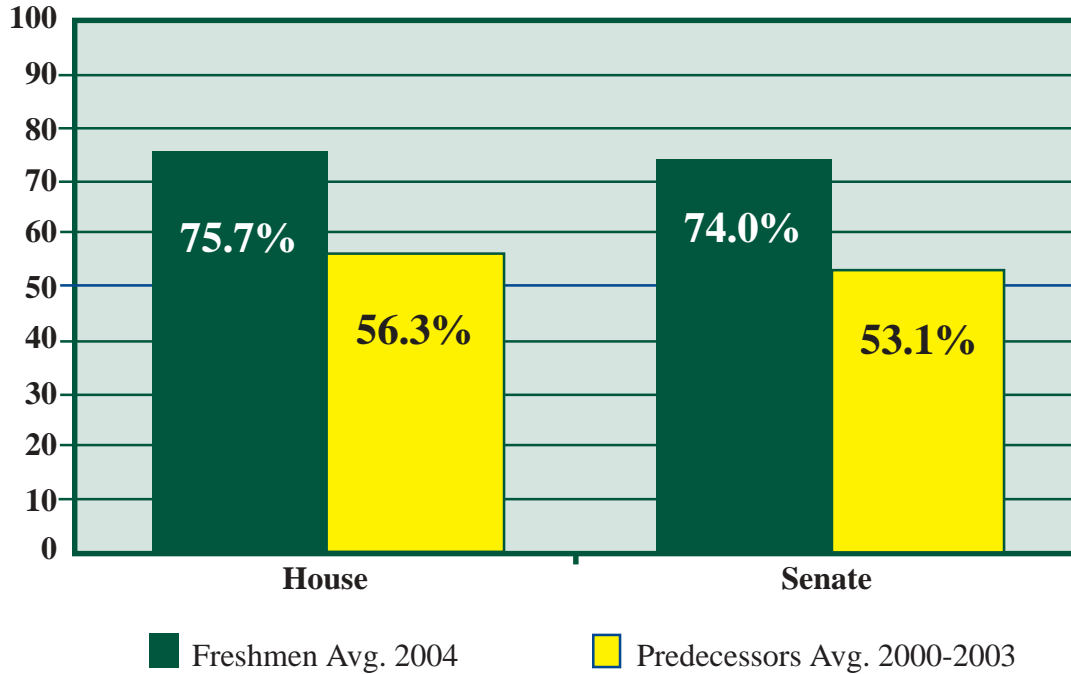
- During the Special Session, the administration and LABI successfully backed phase-outs of the debt portion of the corporate franchise tax and state sales tax on manufacturing machinery and equipment that prior administrations had blocked. No new business taxes were imposed this year.
- Hard-won tort reforms were maintained.
- LABI and other industry groups successfully led the charge to reform the way the state regulates river pilots.
- A file and use commercial insurance rating system supported by LABI will ultimately reduce the cost of commercial insurance for business.

- The exclusive remedy provision of Workers Comp was preserved.
- LABI defeated an attempt to make employers fund unemployment benefits for workers who are victims of spousal abuse.
- An attempted raid on the Incumbent Worker Training Program was also thwarted.
- LABI defeated attempts to impose additional state-mandated benefits on employer health plans.
- The education reforms LABI supported under the Foster administration suffered no erosion.

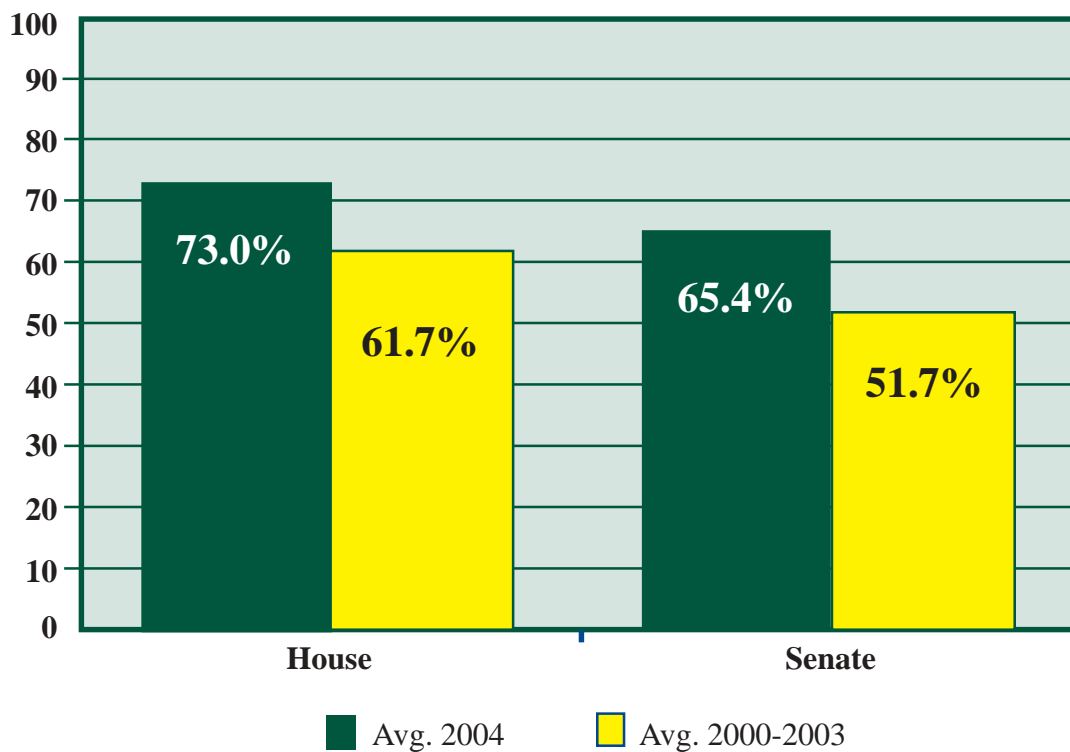
The Legislature is now a fourth of the way through the current term. Over the course of a term, many critical votes are cast on legislation important to business people across Louisiana. Throughout the cycle of regular, fiscal, and special sessions, voting records fluctuate – sometimes radically – depending on the issues. Because voting records do fluctuate from session to session, no single session's record should be considered in isolation; the average over the entire term best reflects the level of a legislator's support for a better business climate in this state.

Comparative Averages

The voting records of newly-elected legislators in both houses were significantly higher than their predecessors.

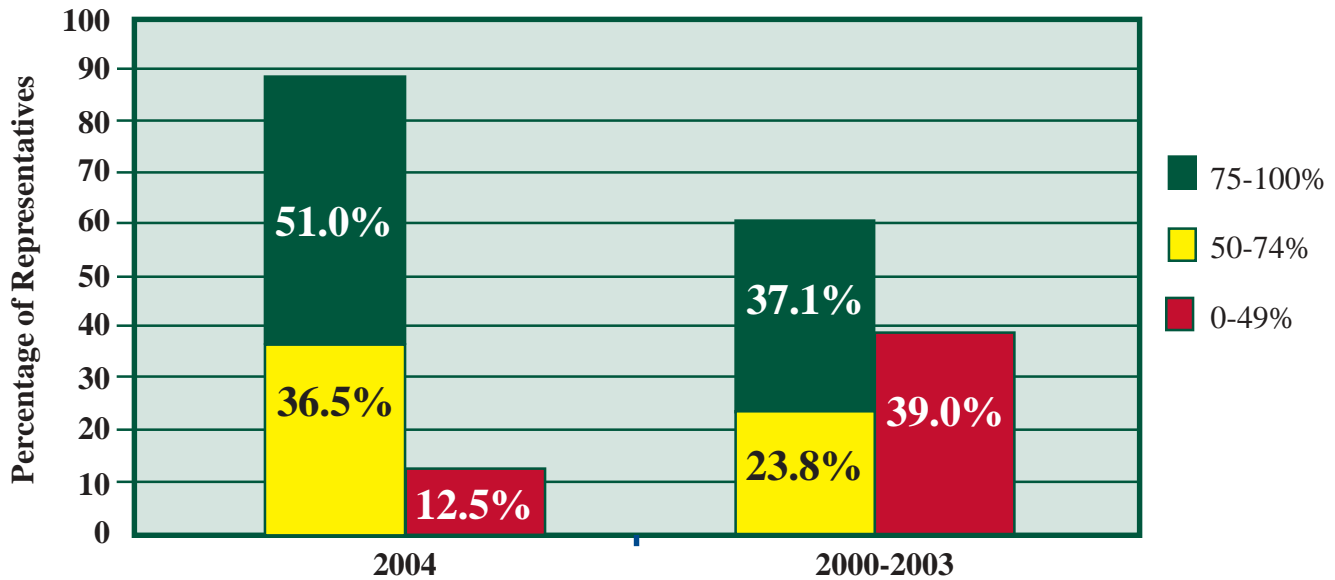


The 2004 averages of both houses showed similar improvement over the previous term averages.



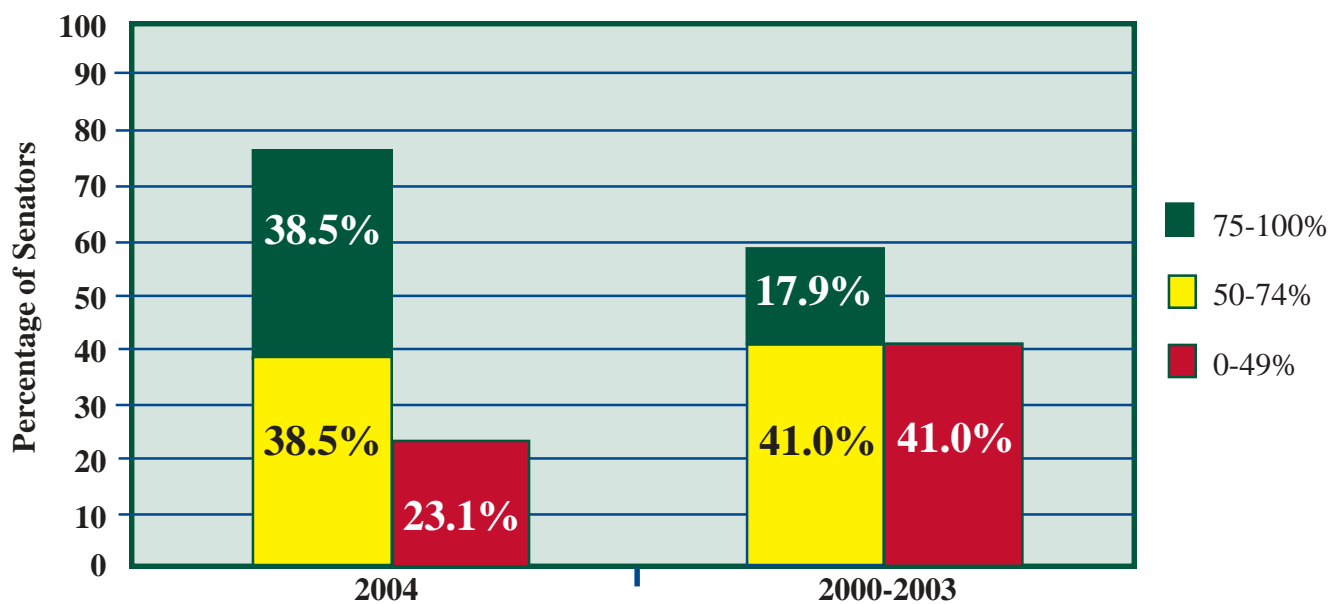
House voting records improved significantly this year compared to the last term, with 87.5% of the members voting with LABI at least half the time. Accordingly, voting records below 50% declined sharply.

House Voting Record Ranges 2004 vs 2000-2003



The 2004 Senate voting records also showed strong improvement over last term. The number of voting records 75% and higher more than doubled, while those 0-49% were cut nearly in half.

Senate Voting Record Ranges 2004 vs 2000-2003



2004 House Votes

Special Session

SALES TAX ON MANUFACTURING MACHINERY AND EQUIPMENT

HB 2, 1st Ex. Session, Hammett – This legislation excludes manufacturing and agricultural machinery and equipment from the state sales and use tax over a seven-year period beginning July 1, 2004. HB 2 also provides a sales and use tax exclusion at the option of the local taxing authority.

Prior to this legislation, Louisiana was the only southern state that fully taxed the sales of manufacturing machinery and equipment, while other southern states had a reduced rate or exempted these sales entirely. The imposition of Louisiana's high sales tax rates on the purchase of manufacturing machinery and equipment placed Louisiana businesses at a competitive disadvantage in comparison with its southern neighbors, substantially increasing the cost of investing in our state. Over the next seven years, HB 2 will eliminate this burdensome sales tax on Louisiana businesses.

When HB 2 originally passed the House, the bill had an eight-year phase-out with no initial relief until July 1, 2005, and with full implementation of the tax exclusion on July 1, 2011. HB 2 also provided that if certain revenue projections were met, then there would be relief beginning July 1, 2004, but full implementation would still not occur until July 1, 2011.

In the Senate Revenue and Fiscal Affairs Committee, Sen. Adley amended HB 2 to provide that if the revenue projections were met, the phase-out beginning July 1, 2004 would be accelerated, and the tax exclusion would be fully implemented by July 1, 2010 (rather than July 1, 2011 as passed by the House). The Senate passed HB 2 with the acceleration provisions in place, and HB 2 then went back to the House for concurrence with the Senate amendments.

How The House Voted

A vote FOR concurrence was a vote WITH LABI. The House failed to concur with the Senate amendments by a vote of 49-50-5.

After the House failed to concur with the Senate amendments, HB 2 was sent to conference committee where the acceleration provisions were modified, but the beginning date of July 1, 2004 and the full implementation date of July 1, 2010 remained intact.

How The House Voted

A vote FOR adopting the conference committee report was a vote WITH LABI. The House adopted the conference committee report by a vote of 103-0-1.

FRANCHISE TAX LONG-TERM DEBT

HB 3, 1st Ex. Session, Hammett – This legislation excludes long-term debt from the corporate franchise tax base over a seven-year period beginning January 1, 2006, with full implementation on January 1, 2012.

Louisiana is one of only two states in the country (Oklahoma being the other) that taxes long-term debt for corporate franchise tax purposes. Not only does a Louisiana business pay the franchise tax if the business is profitable, but it also pays the tax when it simply borrows money to expand or to stay in business. This particularly hurts small, family-owned and closely held businesses trying to expand and compete with businesses in other states which do not have this tax burden. This unfair tax increases businesses' capital cost of operating in Louisiana, which is a deterrent to capital investment and jobs in the state.

As voted on by the House, HB 3 has a seven-year phase-out beginning January 1, 2006, with full implementation of the long-term debt exclusion on January 1, 2012.

How The House Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 102-0-2.

Regular Session

FRIVOLOUS DEFENSE

HB 75, Ansardi – Would have required the losing party to pay all court costs and reasonable attorney fees if a suit or defense is determined to be frivolous.

While at first glance this bill may appear beneficial to all, the criteria are totally subjective. It would have given overwhelming discretion to a judge and enhanced the ability of plaintiff attorneys to force settlements in plaintiff-friendly jurisdictions. There are laws on our books now to deal with unwarranted suits. They simply are not being enforced.

How The House Voted

A vote AGAINST final passage was a vote WITH LABI. The bill failed, 17-84-4.

WORKERS COMPENSATION FRAUD

HB 191, Fauchaux – Would have restricted the penalty of forfeiture of benefits in cases of WC fraud to only those misrepresentations “materially relevant to the claim.” This would have reduced the forfeiture to just benefits obtained by fraud and no others.

The fraud provisions of Louisiana’s WC statutes have been effective, but such fraud continues to be a problem that costs Louisiana businesses hundreds of thousands of dollars annually. Passage of HB 191 would have seriously eroded the effectiveness of Louisiana’s WC fraud prevention provisions, allowing the courts to restrict the forfeiture of benefits in cases of fraudulent misrepresentation to only the benefits paid as a result of that misrepresentation.

If the risk is merely the loss of benefits to which one was never entitled in the first place, there exists no real impediment to committing the fraud. However, if one risks the loss of all benefits, as is the case under current law, one would tend to think twice about attempting such fraud. That is why HB 191 was defeated.

Without doubt, enactment of HB 191 would have given rise to more WC fraud. In defeating this bill, the House kept in place a strong deterrent to fraudulent behavior.

How The House Voted

A vote AGAINST final passage of the bill was a vote WITH LABI. The bill failed, 26-72-6.

HEALTH CARE MANDATE

HB 732, Karen Carter – Would have required health insurance companies to provide coverage for certain medically prescribed contraceptives and contraceptive services. Rep. Morrish made a motion to table the bill which killed the legislation.

The business community opposed HB 732 because the continued imposition of mandates adds significantly to the cost of health care coverage, making it difficult for employers to offer insurance benefits to their employees.

How The House Voted

A vote FOR the motion to table was a vote WITH LABI. The motion passed, 50-42-13.

ABANDONED ACTIONS

HB 1232, Hunter – Would have allowed written communication between attorneys of record concerning settling a case to unnecessarily prolong the life of a lawsuit.

Present law provides that an action is abandoned when the parties fail to take any step in its prosecution or defense in the trial court for a period of three years. Under this bill, corresponding every

three years could have given a lawsuit perpetual life, forcing a business to operate under a veil of uncertainty and unnecessarily costing the private sector and government.

How The House Voted

A vote AGAINST the bill was a vote WITH LABI. The bill failed, 31-58-16.

COMMERCIAL INSURANCE

HB 1514, Karen Carter – Provides for a file and use system of rating commercial lines of insurance. This will bring Louisiana more in line with other states, create a more open and competitive market and ultimately reduce the cost of commercial insurance for businesses.

The cost of doing business in Louisiana is constantly on the rise. 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 do business in Louisiana. LABI supported this legislation because it is a first step to reducing the cost of commercial insurance for businesses.

How The House Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 99-0-6.

PREFERENCES

HB 1523, Futrell – On the surface, preferences sound like a good idea for Louisiana businesses. In fact, bid preferences drive up costs and put Louisiana businesses at a competitive disadvantage when they attempt to do business in other states. HB 1523 would have provided a 5 percent preference for vendors whose primary place of business is located in Louisiana.

While LABI supports reciprocal preferences that protect Louisiana businesses from being at a competitive disadvantage when attempting to do

business in other states, the organization has long opposed direct preferences because they drive up costs and encourage other states to retaliate against Louisiana companies.

How The House Voted

A vote AGAINST final passage was a vote WITH LABI. The bill failed, 18-79-7.

UNEMPLOYMENT COMPENSATION FOR DOMESTIC ABUSE

HB 1707, Gray – This bill would have allowed workers who quit their jobs due to domestic abuse or the fear of such abuse in the future to receive unemployment benefits, even though their leaving was for a personal reason and not related to their work.

Employers finance the unemployment system because they are responsible for managing the work and the workplace and are thus responsible for the unemployment that can arise from that management. No employer can nor should be expected to manage the personal lives of its employees. Therefore, no employer should be made to shoulder the cost of income maintenance for an employee seeking to escape an abusive spouse.

Had HB 1707 passed, it would have been a first step down a slippery slope. By making employers the guarantor for the well-being of those they hire, the bill would have opened the door to annual legislative attempts to provide benefits for other workers who leave their employment for equally compelling personal reasons; e.g., to check into a clinic for help in overcoming a substance abuse problem or some psychological issue, to obtain treatment for a serious, long-term illness or to care for a spouse or child with a serious, long-term illness, etc.

Finally, it is important to note that the cost of the expanded coverage contemplated under HB 1707 would have risked higher UC taxes. Estimates of the drain on the state UC trust fund that would have been caused by benefits for victims of domestic abuse indicated that the fund could very well have fallen below the \$1.4 billion level that triggers higher taxes for employers and lower benefits to all other unemployed workers.

How The House Voted

A vote AGAINST final passage of the bill was a vote WITH LABI. The bill failed, 24-66-14.

PILOTAGE REGULATION

HB 1708, Pinac – This version of the bill would have replaced the current pilotage fee-setting structure (four separate fee commissions consisting of four pilot members and four industry members each with appeals to the Public Service Commission) with a single fee commission composed of four pilots, three industry members, one port director, and one at-large member appointed by the governor. Any action would have required a two-thirds vote of the commission, and any unresolved fee dispute would have been submitted to binding arbitration.

Although our waterways and deepwater ports have long been considered by many to be of tremendous economic advantage to Louisiana, the number of foreign-flagged vessels calling on Louisiana's Mississippi River ports last year dropped to levels not seen since 1961. While vessel traffic has decreased, the number of pilots has increased, and the state-mandated fees shippers must pay pilots to guide their cargo to and from our ports have nearly quadrupled since 1989. These high shipping costs, which generally are significantly greater than those of competing ports, are the result of a system that endows a monopoly with de facto veto power over the board that sets its rates.

The fee commission structure proposed by this version of HB 1708 would have maintained the pilots' undue influence over the fee setting process by requiring at least one pilot commissioner to break ranks with the other pilots to resolve any fee dispute favorably for industry – a highly unlikely scenario. Another drawback to this proposed system was the submission of unresolved disputes to binding arbitration. Since arbitration tends to resolve differences in the middle, pilots could have simply requested twice the fee increase they wanted before forcing the issue to arbitration.

How The House Voted

A vote AGAINST final passage was a vote WITH LABI. The bill passed, 65-33-6.

PILOTAGE REGULATION

HB 1708, Pinac – As amended by the Senate, this bill replaces the current fee-setting system with a single fee commission consisting of four pilot members, four members representing industry (jointly nominated by LABI and other industry groups), and three independent members appointed by the governor. The bill also replaces the current system regulating pilot performance (four review boards with a majority of pilots on each) with a single oversight board consisting of four members nominated by pilots, two members nominated by industry, two members nominated by the Louisiana Ports Association, and three retired judges appointed by the governor.

The enrolled version of HB 1708 contains many, but not all, of the reforms supported by business. The addition of three independent members to the fee commission eliminates the pilots' de facto veto power. The process for nominating industry commissioners is sound and should produce commissioners who will strongly represent the interests of fee payers.

Any party with a substantial interest in a proceeding before the commission has the right to intervene and to appeal. Although the district court which will hear appeals will not be decided until the commission chooses its domicile, judicial review will be limited to the record built during the proceeding, and only arbitrary and capricious decisions will be subject to reversal.

Both the fee commission and the oversight board are subject to the open meetings and public records laws. Lobbying expenses and campaign contributions are prohibited from consideration as expenses to be included in setting pilotage rates.

How The House Voted

The vote occurred when the House voted to concur with the Senate amendments. A vote FOR concurrence was a vote WITH LABI. The motion passed, 104-0-0, and the bill became Act 902.

HEALTH INSURANCE

SB 334, Hainkel – Fewer employers are providing health insurance because they are being priced out of the market due to the high cost of insurance premiums. With the passage of this bill more employers should be able to purchase more affordable insurance. SB 334 authorizes health plans to offer mandate-free coverage to individuals and groups with 35 or fewer employees.

The passage of this bill gives employers another option when they are faced with choosing the type of coverage that meets the needs of their employees. Most working families need employer-sponsored health insurance because individual policies are too expensive. This new law is a giant step towards making health insurance more affordable.

How The House Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 96-4-4.

LOCAL SALES TAX EXEMPTION FOR DIESEL FUEL

SB 394, Barham – Clarifies existing constitutional law and exempts diesel fuel from local sales and use tax.

SB 394 was needed because the Fourth Circuit Court of Appeal in Ocean Energy v. Plaquemines Parish held that diesel fuel was not constitutionally exempt as a motor fuel and, therefore, was subject to local sales tax. The imposition of such a tax would have adversely impacted loggers, farmers, the oil and gas industry, maritime commerce, and other businesses around the state which have historically treated diesel fuel as an item exempt from local sales and use tax.

SB 394 clarifies existing constitutional law and statutorily exempts diesel fuel from local sales tax (placing it in line with motor fuel that is constitutionally exempt from local sales tax). SB 394 further provides procedures for local taxing authorities to continue to tax diesel fuel, provided such taxing authorities have continuously, uniformly, and without interruption legally levied and collected the tax since January 1, 1975.

Since the passage of SB 394 by the Legislature, the Louisiana Supreme Court has overruled the Fourth Circuit in Ocean Energy, ruling that diesel fuel is constitutionally exempt as a motor fuel. Because the Supreme Court did leave open certain situations in which diesel fuel might be subject to local sales tax (such as in cases other than to power an engine), this decision and SB 394 should have consistent interpretations.

How The House Voted

A vote FOR adopting the conference committee report was a vote WITH LABI. The House adopted the conference committee report by a vote of 75-23-6.

PUBLIC RECORD

SB 579, Jones – Provides that certain records pertaining to negotiations between the Department of Economic Development and a business prospect shall remain confidential until negotiations are complete. The records would remain confidential for no longer than two years.

While the passage of this bill creates a temporary exception to Louisiana's open records laws, LABI supported this legislation because it allows the state's economic development leaders to be competitive with other states. This enables Louisiana to bid and negotiate with companies without fear that the state's negotiations or the company's requirements will be exposed prior to any agreement being concluded.

How The House Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 99-0-5.

HOSPITAL SERVICE DISTRICTS

SB 865, Schedler – Would have allowed hospital service districts to collectively bargain for higher payments with health care providers, exchange privacy information to set rates and enjoy the same immunity from suits that the state has. Rep. Pitre made the motion to recommit the bill to the House Commerce Committee which killed the bill.

Had SB 865 passed, it would have increased hospital costs paid by employers, health plans and consumers. Moreover, it would have weakened the ability of managed care plans to effectively negotiate or contract for health care services. LABI supports the continued development of cost-effective

managed care that ensures quality and access to appropriate medical services.

How The House Voted

A vote FOR the motion to recommit was a vote WITH LABI. The motion passed, 50-49-5.

2004 Senate Votes

Special Session

SALES TAX ON MANUFACTURING MACHINERY AND EQUIPMENT

HB 2, 1st Ex. Session, Hammett – Excludes manufacturing and agricultural machinery and equipment from the state sales and use tax over a seven-year period beginning July 1, 2004. HB 2 also provides a sales and use tax exclusion at the option of the local taxing authority.

Prior to this legislation, Louisiana was the only southern state that fully taxed the sales of manufacturing machinery and equipment, while other southern states had a reduced rate or exempted these sales entirely. The imposition of Louisiana's high sales tax rates on the purchase of manufacturing machinery and equipment placed Louisiana businesses at a competitive disadvantage in comparison with its southern neighbors, substantially increasing the cost of investing in our state. Over the next seven years, HB 2 will eliminate this burdensome sales tax on Louisiana businesses.

When HB 2 originally passed the House, the bill had an eight-year phase-out with no initial relief until July 1, 2005, and with full implementation of the tax exclusion on July 1, 2011. HB 2 also pro-

vided that if certain revenue projections were met, then there would be relief beginning July 1, 2004, but full implementation would still not occur until July 1, 2011.

In the Senate Revenue and Fiscal Affairs Committee, Sen. Adley amended HB 2 to provide that if the revenue projections were met, the phase-out beginning July 1, 2004 would be accelerated, and the tax exclusion would be fully implemented by July 1, 2010 (rather than July 1, 2011 as passed by the House).

How The Senate Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 38-0-1.

The House failed to concur with the Senate amendments, and HB 2 was sent to conference committee where the acceleration provisions were modified, but the beginning date of July 1, 2004 and the full implementation date of July 1, 2010 remained intact.

How The Senate Voted

A vote FOR adopting the conference committee report was a vote WITH LABI. The Senate adopted the conference committee report by a vote of 37-0-2.

FRANCHISE TAX LONG-TERM DEBT

HB 3, 1st Ex. Session, Hammett – Excludes long-term debt from the corporate franchise tax base over a seven-year period beginning January 1, 2006, with full implementation on January 1, 2012.

Louisiana is one of only two states in the country (Oklahoma being the other) that taxes long-term debt for corporate franchise tax purposes. Not only does a Louisiana business pay the franchise tax if the business is profitable, but it also pays the tax when it simply borrows money to expand or to stay in business. This particularly hurts small, family-owned and closely held businesses trying to expand and compete with businesses in other states which do not have this tax burden. This unfair tax increases businesses' capital cost of operating in Louisiana, which is a deterrent to capital investment and jobs in the state.

As voted on by the Senate, HB 3 has a seven-year phase-out beginning January 1, 2006, with full implementation of the long-term exclusion on January 1, 2012.

How The Senate Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 33-0-6.

Regular Session

TERM LIMITS

SB 114, Jones – LABI supported the term limits constitutional amendment that was subsequently ratified by the voters in 1995. SB 114 would have repealed provisions which limit the number of terms a person may serve as a member of the legislature.

LABI opposed this bill because our members believe that term limits enhance the quality of public service by broadening opportunities for such service and making the electoral process fairer.

How The Senate Voted

A vote AGAINST final passage was a vote WITH LABI. The bill failed, 14-25-0.

WRONGFUL DEATH CASES

SB 225, Marionneaux – Would have added minor siblings to the category of spouses and children for recovery under our wrongful death law.

This bill would have increased litigation by expanding causes of action in wrongful death cases by adding minor siblings to a category reserved for the special needs of spouses and children. Current law already provides for siblings in another category of claimants.

How The Senate Voted

A vote AGAINST the bill was a vote WITH LABI. The bill failed, 5-30-4.

INCREASE HOMESTEAD EXEMPTION

SB 322 (Constitutional Amendment), Nevers – Would have provided, for a period of five years, an unlimited homestead exemption for persons 65 and older who purchase a newly constructed residence.

Louisiana's \$75,000 homestead exemption is already the highest in the country. As a result, 65 percent of our homeowners pay zero property tax, while business pays over 95 percent of all property tax in the state. Our property tax laws already offer a tax break for certain persons 65 and over by "freezing" their assessments. This unlimited tax break for these individuals would have further shifted the property tax burden onto business.

How The Senate Voted

A vote AGAINST final passage was a vote WITH LABI. The bill failed to pass, 22-14-3, with 26 votes needed for passage.

HEALTH INSURANCE

SB 334, Hainkel - Fewer employers are providing health insurance because they are being priced out of the market due to the high cost of insurance premiums. With the passage of this bill, more employers should be able to purchase more affordable insurance. SB 334 authorizes health plans to offer mandate-free coverage to individuals and groups with 35 or fewer employees.

The passage of this bill gives employers another option when they are faced with choosing the type of coverage that best meets the needs of their employees. Most working families need employer-sponsored health insurance because individual policies are too expensive. This new law is a giant step towards making health insurance more affordable.

How The Senate Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 34-0-5.

PREFERENCES

SB 369, Nevers – On the surface, preferences sound like a good idea for Louisiana businesses. In fact, bid preferences drive up costs and put Louisiana businesses at a competitive disadvantage when they attempt to do business in other states. SB 369 would have provided a 5 percent preference to bidders who provide health insurance.

While LABI supports reciprocal preferences that protect Louisiana businesses from being at a competitive disadvantage when attempting to do business in other states, the organization has long opposed direct preferences because they drive up costs and encourage other states to retaliate against Louisiana companies.

How The Senate Voted

A vote AGAINST final passage was a vote WITH LABI. The bill failed, 13-22-4.

LOCAL SALES TAX EXEMPTION FOR DIESEL FUEL

SB 394, Barham – Clarifies existing constitutional law and exempts diesel fuel from local sales and use tax.

SB 394 was needed because the Fourth Circuit Court of Appeal in Ocean Energy v. Plaquemines Parish held that diesel fuel was not constitutionally exempt as a motor fuel and, therefore, was subject to local sales tax. The imposition of such a tax would have adversely impacted loggers, farmers, the oil and gas industry, maritime commerce, and other businesses around the state which have historically treated diesel fuel as an item exempt from local sales and use tax.

SB 394 clarifies existing constitutional law and statutorily exempts diesel fuel from local sales tax (placing it in line with motor fuel that is constitutionally exempt from local sales tax). SB 394 further provides procedures for local taxing authorities to continue to tax diesel fuel, provided such taxing authorities have continuously, uniformly, and without interruption legally levied and collected the tax since January 1, 1975.

Since the passage of SB 394 by the Legislature, the Louisiana Supreme Court has overruled the Fourth Circuit in Ocean Energy, ruling that diesel fuel is constitutionally exempt as a motor fuel. Because the Supreme Court did leave open certain situations in which diesel fuel might be subject to local sales tax (such as in cases other than to power an engine), this decision and SB 394 should have consistent interpretations.

How The Senate Voted

A vote FOR adopting the conference committee report was a vote WITH LABI. The Senate adopted the conference committee report by a vote of 26-10-3.

FRIVOLOUS DEFENSE

SB 420, Marionneaux – Would have required the losing party to pay all court costs and reasonable attorney fees if a suit or defense is determined to be frivolous.

While at first glance this bill may appear beneficial to all, the criteria is totally subjective. It would have given overwhelming discretion to a judge and enhanced the ability of plaintiff attorneys to force settlements in plaintiff-friendly jurisdictions. There are laws on our books now to deal with unwarranted suits. They simply are not being enforced.

How The Senate Voted

A vote AGAINST the bill was a vote WITH LABI. The bill failed, 11-27-1.

PILOTAGE REGULATION

SB 472, Dardenne – As filed, SB 472 would have created a 19-member board to oversee all aspects of pilotage, eliminating the current pilot monopolies and allowing competition and market forces to influence shipping costs.

Although our waterways and deepwater ports have long been considered by many to be of tremendous economic advantage to Louisiana, the number of foreign-flagged vessels calling on Louisiana's Mississippi River ports last year dropped to levels not seen since 1961. While vessel traffic has decreased, the number of pilots has increased, and the state-mandated fees shippers must pay pilots to guide their cargo to and from our ports have nearly quadrupled since 1989. These high shipping costs, which generally are significantly greater than those of competing ports, are the result of a system that endows a monopoly with de facto veto power over the board that sets its rates.

There were two important Senate votes on SB 472, which passed out of Senate Commerce Committee in a form unacceptable to business. The key component of Sen. Dardenne's amendment would have created a single 11-member commission composed of four pilots, four industry members, and three independent members appointed by the governor to set pilotage fees.

How The Senate Voted

A vote FOR the Dardenne amendment was a vote WITH LABI. The Senate adopted the amendment by a vote of 26-11-2.

Sen. Hollis then offered an amendment that encompassed much of the pilots' agenda. This amendment created a single fee commission composed of four pilots, four industry members and one at-large member appointed by the governor. Any action would have required a two-thirds vote of the commission, and any unresolved fee dispute would have been submitted to binding arbitration.

This structure would have maintained the pilots' undue influence over the fee setting process by requiring at least one pilot commissioner to break ranks with the other pilots to resolve any fee dispute favorably for industry – a highly unlikely scenario. Another drawback to the Hollis proposal was the submission of unresolved disputes to binding arbitration. Since arbitration tends to resolve differences in the middle, pilots could have simply requested twice the fee increase they wanted before forcing the issue to arbitration.

How The Senate Voted

A vote AGAINST the Hollis amendment was a vote WITH LABI. The amendment was adopted by a vote of 22-15-2.

PUBLIC RECORD

SB 579, Jones - Provides that certain records pertaining to negotiations between the Department of Economic Development and a business prospect shall remain confidential until negotiations are complete. The records would remain confidential for no longer than two years.

While the passage of this bill creates a temporary exception to Louisiana's open records laws, LABI supported this legislation because it allows the state's economic development leaders to be competitive with other states. This enables Louisiana to bid and negotiate with companies without fear that the state's negotiations or the company's requirements will be exposed prior to any agreement being concluded.

How The Senate Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 35-1-3.

WORKERS COMPENSATION EXCLUSIVE REMEDY

SB 672, Holden – Would have allowed employees injured on the job to sue their employers while drawing workers compensation whenever they alleged that their injury was caused by their employers’ intentional removal of a safety guard or device that was part of the original equipment produced by the manufacturer, unless such removal was necessitated by repair or maintenance.

This bill was sponsored by the Louisiana Trial Lawyers Association to create a crack in the exclusive remedy protection of Louisiana’s workers compensation law. Creative plaintiff attorneys could later expand it with the help of sympathetic courts, as they have often done in the past. If this bill had passed, many WC claims would have been accompanied by a lawsuit.

Even when the employer is not at fault, the existence of the new tort remedy contemplated in SB 672 would have enabled plaintiff attorneys to make allegations that would have allowed a lawsuit to proceed, thereby imposing significant costs on employers to defend themselves and applying great pressure for lucrative settlements for those plaintiff attorneys. Employer liability rates would have risen dramatically to cover the cost of defense and businesses’ exposure for damages or settlements from such lawsuits.

Any erosion of the tort immunity that employers currently have under Louisiana’s WC law undermines the very foundation of that law. The exclusive remedy protection is the quid that employers have exchanged for the quo employees receive in the form of immediate compensation for their injury irrespective of their own fault. Such a policy is fair and less costly to society.

How The Senate Voted

A vote AGAINST final passage of the bill was a vote WITH LABI. The bill passed, 23-12-4.

APPEALS PROCESS

SB 833, Marionneaux – Would have mandated that a 15 percent penalty security bond be posted, along with any other security required to be

posted, before a party may appeal a money judgment from a district court to a security court.

This bill would have created impediments and disincentives in our appeals system. If the appealing party loses, the 15 percent bond, often representing an extremely large amount of money, is forfeited. In many cases, a business would have to ask itself if it’s truly worth that chance. The bill was also flawed in that it did not specify to whom the money would be paid.

How The Senate Voted

A vote AGAINST the bill was a vote WITH LABI. The bill failed, 7-30-2.

HOSPITAL SERVICE DISTRICTS

SB 865, Schedler – Would have allowed hospital service districts to collectively bargain for higher payments with health care providers, exchange privacy information to set rates and enjoy the same immunity from suits that the state has.

Had SB 865 passed, it would have increased hospital costs paid by employers, health plans and consumers. Moreover, it would have weakened the ability of managed care plans to effectively negotiate or contract for health care services. LABI supports the continued development of cost-effective managed care that ensures quality and access to appropriate medical services.

How The Senate Voted

A vote AGAINST final passage was a vote WITH LABI. The bill passed, 31-5-3.

INCUMBENT WORKER TRAINING

HB 619, Alario – As amended in the Senate Finance Committee, would have taken \$4 million from the Incumbent Worker Training Program (IWTP) fund and put it in the state general fund to be appropriated to the higher education Board of Regents for use in various “health workforce development initiatives.” In the state budget bill (HB 1, Alario), \$300,000 of these monies were to

be used by the Board of Regents for administrative purposes.

The IWTP was legislatively created in 1997 to provide \$6 million for incumbent worker training. It is funded by a surtax that employers pay quarterly along with their unemployment compensation tax assessment. The statute governing the IWTP fund “solely and exclusively” pledges and dedicates its use to providing customized training for businesses that have been operating in Louisiana for at least three years and have paid taxes to fund the program. In 1999, Governor Foster convinced the business community to increase the IWTP fund to \$50 million.

The Senate Finance Committee amendments to HB 619 would have permitted some of the \$4 million in IWTP monies to be used to prepare students to work for government and nonprofit medical providers that have never paid anything into the IWTP fund and are not entitled to use it. Furthermore, the amendments established no procedural requirements governing application and qualification for the training funds and no accountability for results from their expenditure. They could have been deployed at the Board of Regents’ complete discretion and without specific outcomes, unlike those existent under the IWTP as administered by the state Department of Labor.

How The Senate Voted

Sen. Dardenne offered an amendment to strip off the Senate Finance Committee amendments that took \$4 million from the IWTP fund. A vote FOR Sen. Dardenne’s amendment was a vote WITH LABI. The amendment passed, 22-14-3.

HEALTH INSURANCE MANDATE

HB 1211, Shepherd – When this bill was being discussed on the Senate floor, Sen. Irons attempted to amend the bill to require health insurance companies to provide coverage for certain medically prescribed contraceptives and contraceptive services.

The business community opposed the amendment because the continuing imposition of mandates adds significantly to the cost of health care coverage, making it more difficult for employers to offer insurance benefits to their employees.

How The Senate voted

A vote AGAINST the amendment was a vote WITH LABI. The amendment failed, 17-17-5.

COMMERCIAL INSURANCE

HB 1514, Karen Carter - Provides for a file and use system of rating commercial lines of insurance. This will bring Louisiana more in line with other states, create a more open and competitive market and ultimately reduce the cost of commercial insurance for businesses.

The cost of doing business in Louisiana is constantly on the rise. Rising commercial insurance costs are a major concern for all businesses. Not withstanding the high cost of commercial insurance, many business owners struggle to find commercial coverage because many insurance companies are not willing to do business in Louisiana. LABI supported this legislation because it is a first step to reducing the cost of commercial insurance for businesses.

How The Senate Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 22-15-2.

PILOTAGE REGULATION

HB 1708, Pinac – As amended by the Senate Commerce Committee, this bill replaces the current fee-setting system with a single fee commission consisting of four pilot members, four members representing industry (jointly nominated by LABI and other industry groups), and three independent members appointed by the governor. The bill also replaces the current system regulating pilot performance (four review boards with a majority of pilots on each) with a single oversight board consisting of four members nominated by pilots, two members nominated by industry, two members nominated by the Louisiana Ports Association, and three retired judges appointed by the governor.

The enrolled version of HB 1708 contains many, but not all, of the reforms supported by business. The addition of three independent members to the fee commission eliminates the pilots' de facto veto power. The process for nominating industry commissioners is sound and should produce commissioners who will strongly represent the interests of fee payers.

Any party with a substantial interest in a proceeding before the commission has the right to intervene and to appeal. Although the district court which will hear appeals will not be decided until the commission chooses its domicile, judicial review

will be limited to the record built during the proceeding, and only arbitrary and capricious decisions will be subject to reversal.

Both the fee commission and the oversight board are subject to the open meetings and public records laws. Lobbying expenses and campaign contributions are prohibited from consideration as expenses to be included in setting pilotage rates.

How The Senate Voted

A vote FOR final passage was a vote WITH LABI. The bill passed, 36-0-3

LABI Hosts Small Business Expo



On Thursday, August 19, LABI hosted a Small Business Expo from 1:00 to 5:00 p.m. at the LABI Conference Center in Baton Rouge. The Expo featured representatives from six companies – CITGO Petroleum Corporation, Dow Chemical, Entergy, Northrop Grumman Ship Systems, The Shaw Group and Turner Industries – who provided small business owners with an opportunity to learn about procurement and contract possibilities with those companies. Also participating were representatives from the U.S. Small Business Administration, who informed the audience about SBA services provided to small business owners. Bayoubuzz.com was the media sponsor for the event.

After a Welcome by LABI President, Dan Juneau, each company's representatives made a 10-minute presentation, showcasing their company's goods and services and explaining what procurement opportunities might be available for attendees. Following the presentations, attendees visited company booths for additional personalized information.

LABI's first Small Business Expo was a great success, with over 100 business owners and operators in attendance. Many thanks to the six participating companies for their interest and commitment to helping Louisiana's small businesses grow and prosper. Also, thanks to Wayne Wright of Lockheed Martin, chair of LABI's Small Business Council, and to Bridgette Richard, LABI's Small Business Council Director, for their work and dedication to making the Expo happen.



When An Employee Leaves For Military Service— *What's the Employer's Role?*

As an employer, do you know what your role is when it comes to your employees serving their country? Do you know what laws affect you and your employees in the military? The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) protects all employees or potential employees who must leave their jobs for a time to serve in the military. Military duty includes active duty; active duty for training; inactive duty training; full-time National Guard duty; a period for which a person is absent from a position of employment for the purpose of an examination to determine the fitness of a person to perform any such duty; and a period for which a person is absent from employment for the purpose of performing funeral honors duty.

USERRA prohibits discrimination from an employer against any person performing their military duty. Prohibited discrimination includes the denial of initial employment, reemployment, retention in employment, promotion, or any benefit granted by the employer. However, the USERRA does not require that employers compensate their employees who are on military leave, but does require that upon the employees' fulfillment of their military service, that the employee is entitled to be reinstated in his or her job.

If the employee's military leave is between one and 30 days, then the employee must report to work within eight hours of the



end of the calendar day following completion of service and a period allowing for safe transportation home for the employee. If the employee's military service is between 31 and 180 days, then the employee must submit an application for reemployment no later than 14 days after service. For military leave in excess of 180 days, the employee must submit an application for reemployment no later than 90 days after completion of service. However,

if the employee is injured or becomes ill while serving, then the deadlines above are extended for up to two years while the employee recovers from the illness or injury.

The USERRA gives "escalator" provisions, which allow employees to be reinstated into positions they would have obtained if they did not have to leave for military duty. If the employee is serving military duty from one to 90 days, then the employee is entitled to be reinstated in the position that he would have had if his work had not been interrupted by military duty, but only if the employee is qualified for that position. If the employee is serving for more than 90 days, then the employee is entitled to be reinstated in the position that he would have been employed in, or in a position of like seniority, but only if the employee is qualified for the position.

For an employee who may become disabled or has aggravated a disability as a result of military service and is no longer qualified to perform the position they held before leaving for duty, then the employer may place the employee in a position in which the employee is qualified to perform or can become qualified with reasonable accommodation.

Medical benefits must be continued for employees whose military service is less than 30 days, but if it is more than 30 days, then the employer must offer continued coverage for up to 18 months under COBRA-like

conditions. Also, if an employer maintains a defined contribution plan, other than a 401(k) plan, employer contributions must be made with respect to the period of uniformed service upon the reinstatement of employment. The compensation must be equal to the rate of compensation that would have been earned absent the period of uniformed service. If the employer maintains a 401(k) plan, a reinstated employee must be allowed to make-up salary deferral contributions over a period that is not more than the lesser of 300 percent of the period of uniformed service, or five years. Also, the employer must provide a matching contribution with respect to the make-up in accordance to the plan's formula.

However, the employer is not the only one with obligations; employees have their share too.



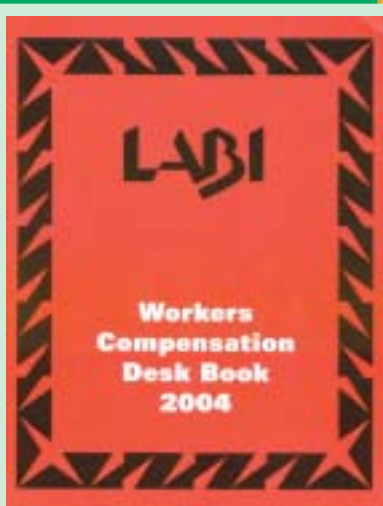
USERRA places some obligations on the employee seeking to return to work. The employee must do the following: 1) provide advance notice of the need for military leave, unless such notice is impossible, unreasonable, or precluded by military necessity; 2) give timely notice of the intent to return to work; 3) supply documentation that the employee has not exceeded the five-year time limitation regarding military service; and 4) provide documenta-

tion that the employee's right to the protections of USERRA has not been terminated by a dishonorable discharge or other disqualifying circumstance.

Employees and employers must each do their part under the USERRA law to make certain the law is followed correctly. **And remember, no matter what size company you own or operate, USERRA will apply. The law does not exempt any company for any reason.**

Do Louisiana Workers Compensation and Unemployment Compensation Laws Have You Seeing Double?

Let LABI help clear your vision . . .



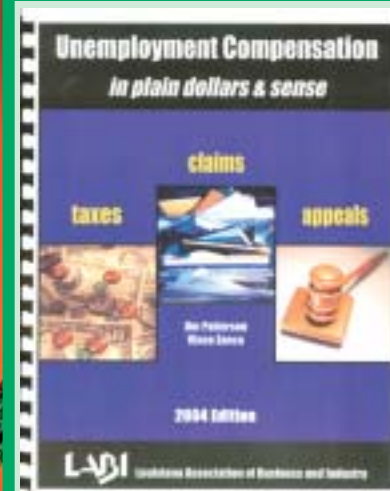
2004 Workers Compensation Desk Book

- The most comprehensive desk book on Louisiana Workers Compensation law available.
- Analyzes the law and applies it to business situations.



2004 Louisiana WC Forms Software

All forms are presented on your computer screen as they appear on paper. The system automatically shares case data among related forms, and allows easy search, retrieval, and printing of previously completed forms.



2004 Louisiana Unemployment Compensation - Taxes, Claims, Appeals

In plain dollars and sense, this manual explains Louisiana UC insurance taxes, tells how to manage your benefit payout system and much more.

For More Information, contact
Patty Broussard
 at (225) 928-5388
 or Fax
 (225) 929-6054

Check out our website at
www.labi.org

LABI Member News*

LABI Members Receive 2004 Distinguished Partners in Education Awards



Left to right: Dale Bayard (7th District BESE Representative), Barbara Fuselier (Hahnville High School Principal), Nawzer Parakh (St. Charles Operations Site Leader), Cecil Picard (State Superintendent of Education), Joval Walker (St. Charles Operations representative), Rachel Allemand (Union Carbide's St. Charles Parish Executive Director of Curriculum, Instruction and Assessment), Tresa Webre (Luling Elementary School Principal) and Rosalind Harris (St. Rose Elementary School Administrative Assistant).

Two LABI members received a 2004 Distinguished Partners in Education Award for their contributions to improving public education. The two members were Concordia Bank & Trust of Vidalia, and Union Carbide Corporation's St. Charles Operations. Union Carbide Corporation-St. Charles Operations is a subsidiary of The Dow Chemical Company.

The Distinguished Partners in Education Awards program began in 1989 and recognizes businesses, industries, associations or individuals for their con-

tributions to education. Winners are selected based upon the impact their involvement and activities had on student achievement in the schools they partnered with. Other selection criteria were commitment to the school and support for quality education.

Concordia Bank & Trust has been a member of LABI since 1984, and Dow has been a member since 1975. LABI congratulates Concordia Bank & Trust and Dow Chemical Company on their outstanding accomplishments in helping to improve student achievement in Louisiana.

Left to Right: Willie Smith, Concordia Bank & Trust Co. Chairman of the Board Emeritus; Dr. Kerry Laster, Superintendent, Concordia Parish School Board; Dr. James Stafford, 5th District BESE Representative; John M. Taylor, Sr. Vice President & Director, Concordia Bank & Trust Co.; Patrick R. Biglane, President & CEO, Concordia Bank & Trust Co.; Genna Hopkins, Vice President & Compliance Officer; and Tracie Gray, Asst. Vice President & CRA Director.



*The *Enterprise* is pleased to run member news and announcements on a space-available basis.



First Row (left to right): Ed Smith, Smitty's Supply, Inc.; Kermit Miller, American Inn/Jack Miller's Food Products; Kyle Waters, Hibernia National Bank; Van Landry, Manufacturing Extension Partnership of Louisiana (MEPoL); Bonnie Lemoine, Procter & Gamble Manufacturing; and Joe Elder Jr., Elder Wood Preserving Co., Inc. **Second Row (left to right):** Arthur Shilling, Lamp Environmental Industries, Inc. (LEI); Don Cummins, AMCOL; Kevin Cureton, AMCOL; Todd Hoffman, Procter & Gamble Manufacturing; and Robert Dunton, Libbey, Inc. **Third Row (left to right):** Mike Moreno, Dynamic Industries, Inc.; Will Wilcox, Antares Technology Solutions, Inc.; Michael Moles, Antares Technology Solutions, Inc.; Mike Smith, Elder Wood Preserving Co., Inc.; Michael Russell, GeneScan USA; and Don Hutchinson, former Secretary, Louisiana Dept. of Economic Development.

LABI Members Win Lantern Awards

The Louisiana Department of Economic Development and the Louisiana Board of Commerce and Industry selected six LABI members to be presented with Lantern Awards by Governor Kathleen Blanco during a ceremony held at the Governor's Mansion on May 27, 2004. Lantern Award winners were chosen based on their company's success, their contributions to the state's economy and to the quality of life for Louisiana's citizens. Guidelines from *Louisiana: Vision 2020* were also criteria used for selection. According to the Vision 2020 plan, Louisiana will become a state with a vibrant, balanced economy, a fully engaged, well-educated workforce and a quality of life that places it among the top 10 states in the nation in which to live, work, visit and do business.

"The purpose of the 2004 Lantern Awards is to honor those businesses in the state of Louisiana that have the skill, dedication, and ingenuity to jump to the forefront of our state's economy and improve Louisiana's business image," said Arthur Cooper, DED Director of Business Retention.

This year's recipients of Lantern Awards who are also LABI members were American Inn/Jack Miller's Food Products, Ville Platte; Libbey, Inc., Shreveport; Hibernia National Bank, New Orleans; Elder Wood Preserving Co., Inc., Mansura; Antares Technology Solutions, Inc., Baton Rouge; and Procter & Gamble Manufacturing, Pineville.

American Inn/Jack Miller's Food Products, which produces its own brand of Cajun bar-b-que sauce, cocktail sauce and seasoning, won in the

agribusiness/food technology category. American Inn/Jack Miller's Food Products has been a member of LABI since May 1995.

Winning in the durable goods manufacturing category was Libbey, Inc., which won for their designs and tableware products marketing. Libbey, Inc., has been a member of LABI since November 1984.

Hibernia National Bank won the entertainment industry award. Hibernia financed projects in the music and film industry for New Orleans filmmakers and musicians. Hibernia has been a member of LABI since February 1984.

Elder Wood Preserving Co., Inc., won a 2004 Lantern Award in the category of forest products. Elder treats Southern Yellow Pine lumber and plywood, and has been a member of LABI since June 1999.

In the information technology category, the winner was Antares Technology Solutions, Inc. Antares provides software design and development services. Antares has been a member of LABI since April 2003.

Winning in the petrochemical category was Procter & Gamble Manufacturing. Procter & Gamble manufactures food, household and healthcare products, and has been a member of LABI since September 1978.

LABI is proud to have these outstanding companies as members. Congratulations on being industry leaders.

2004 Small Business Award Winners



Front Row (from left to right): Janice E. Day of RW Day & Associates; Toni Granat, President, Granat's Collision Center; Sarah A. Calhoun, President, Medical Temps Inc.; and Kathy Hanudel, R&H Quality Refractory Services Inc. **Back Row (from left to right):** Robert W. Day, President, RW Day & Associates; Mark Anthony Brown, Owner, Mid-State Home Health Agency; James L. Queen, President, Loksaf Service & Door Hardware; Jan Granat, Vice President, Granat's Collision Center; Mark A. Hanudel, President and CEO, R&H Quality Refractory Services Inc.; and Skip Smart, Assistant Secretary, Louisiana Dept. of Economic Development.

The Louisiana Department of Economic Development and the U.S. Small Business Administration honored eight Louisiana businesses at the 2004 Small Business Awards ceremony held June 17 at the Governor's Mansion in Baton Rouge. Each nominee underwent an exhaustive nominating process based on criteria related to their particular business. The eight district award recipients were evaluated on the basis of growth in sales and staff, creative products or services, business stability, response to adversity and contributions to the surrounding community.

One LABI member won this prestigious award — Wechem, Inc., of Harahan — in the southeast region category. Wechem is a chemical manufacturer and has been a member of LABI since 1988.

In addition to the district winners, six "Business Advocacy Awards" were presented to members who "champion members of the small business community." Receiving this Advocacy Award and the designation "Small Business

Journalist of the Year" was LABI member Rolfe H. McCollister, Jr. Rolfe is the Publisher/CEO of the *Baton Rouge Business Report*. McCollister joined LABI in 1985.

Congratulations to Wechem, Inc. and to Rolfe McCollister and the *Baton Rouge Business Report* for jobs well done!



Front Row (from left to right): Lynn Dupont, Regional Planning Commission, New Orleans; Archie Corder, owner, CC Sales Company; Dr. Paulette Thomas, University of New Orleans, Department of Special Education. **Second Row (from left to right):** David Gisclair; Rolfe McCollister, *Baton Rouge Business Report*; Ronnie Slone, General Manager, Manpower Professional; and Richard Matheny, Partner, Phelps Dunbar, LLP.

Louisiana Voters to Consider Proposed Constitutional Amendments

At both the September 18 and November 2 elections, Louisiana voters will have proposed constitutional amendments to consider. For your information, following are the amendments that you will decide on when you go to the polls on these dates.

For more information, go to the legislative website at www.legis.state.la.us/election2004/04amendments.pdf. For parish ballot information, go to the Secretary of State's website at www.sos.louisiana.gov.

September 18, 2004 — Open Primary Election

Proposed Amendment No. 1 **Act 926 of the 2004 Regular Session**

To provide that marriage in this state shall consist of the union of one man and one woman, that legal incidents of marriage shall not be conferred on a member of any union other than such union, and that the state shall not validate or recognize a legal status identical or substantially similar to that of marriage for unmarried individuals or any marriage contracted in any other jurisdiction which is not the union of one man and one woman. (ADDS Article XII, Section 15)

November 2, 2004 — Congressional Elections

Proposed Amendment No. 1 **Act 927 of the 2004 Regular Session**

To guarantee the right of every citizen to hunt, fish and trap, subject to regulation, restriction, or prohibition as provided by law. (ADDS Article I, Section 27)

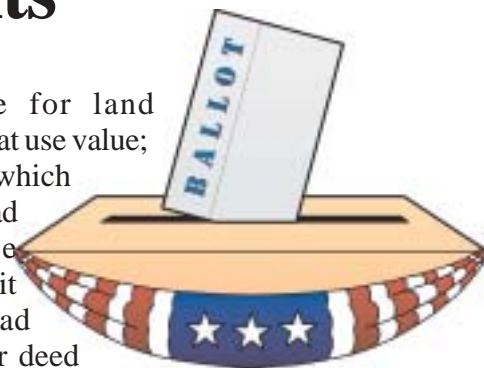
Proposed Amendment No. 2 **Act 929 of the 2004 Regular Session**

To provide that homestead exempt property is limited to property owned and occupied by the

owners; to provide for land classified and assessed at use value; to provide that a field which qualifies for a homestead exemption may have timber on it; to prohibit granting the homestead exemption to bond for deed property unless granted before June 20, 2003; to explicitly prohibit more than one homestead exemption applying to any person; and to require the homestead exemption to extend to the following:

- (1) The surviving spouse when the homestead is occupied by the surviving spouse and title to it is in the surviving spouse's name as owner of any interest or as usufructuary, or in the name of a testamentary trust established for the benefit of the surviving spouse or the descendants, or to the former spouse when the homestead is occupied by the former spouse and title to it is in the name of either or both of the former spouses.
- (2) Property owned by an irrevocable trust when the principal beneficiary or beneficiaries are the settlor or settlors of the trust and were the immediate prior owners of the homestead, and the homestead is occupied as such by a principal beneficiary.
- (3) Property where the usufruct has been granted to no more than two usufructuaries who occupy the homestead and who were the immediate prior owners of the homestead.
- (4) A natural person or persons and to an irrevocable trust created by a natural person or persons in which the beneficiaries of the trust are a natural person or persons if the criteria above is otherwise satisfied.
- (5) Property owned, limited to the pro rata ownership interest of the person occupying the homestead unless provided otherwise above.

(AMENDS Article VII, Section 20(A))



Proposed Amendment No. 3
Act 930 of the 2004 Regular Session

To provide that persons who served honorably in the armed forces of the United States for at least ninety days after September 11, 2001, for reasons other than training are eligible for the veterans' five-point preference for original state police service employment or original civil service employment by the state, by the city of New Orleans, or by any other civil service system governed by the same provisions of the constitution; to provide that persons who served honorably in the armed forces of the United States during a war declared by the United States Congress are eligible for the veterans' five-point preference for original state police service employment; and to permit the legislature to provide for the addition of war periods or armed conflicts for such eligibility by state law enacted by a two-thirds vote. (AMENDS Article X, Sections 10(A)(2) and 48(A)(2))

Proposed Amendment No. 4
Act 928 of the 2004 Regular Session

To authorize the legislature to provide by law for programs to assist Louisiana farmers and fishermen with support and expansion of their industries; to establish the Agricultural and Seafood Products Support Fund as a special fund in the state treasury; to provide for the sources of monies in the fund to be from the licensing of trademarks or labels for use in promoting Louisiana agricultural and seafood products, grants, gifts, donations received by the state, any other revenues as provided for by law, and monies appropriated by the legislature to the fund; and to provide for sources of monies in the fund and use of monies appropriated from the fund for assistance to Louisiana farmers and fishermen. (ADDS Article VII, Section 10.12)

Mark Your Calendar!

January 18, 2005



ANNUAL MEETING
Holiday Inn Select
Baton Rouge, Louisiana

January 2005

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30	31					



Louisiana Job Fairs to Benefit People with Disabilities

Job Fairs to be held throughout the State of Louisiana on October 20, 2004

Job fairs will be held throughout the state on **October 20, 2004, from 11:00 a.m. till 3:00 p.m.** (except in Lake Charles, where the job fair will be held on October 18, 2004), in order for businesses across the state to show their support and interest in assisting job seekers with disabilities in obtaining employment. The Louisiana Business Leadership Network, a nonprofit business-led association of businesses interested in disability awareness, is coordinating the job fairs.

In Louisiana, there is a 70 percent unemployment rate for persons with disabilities that are capable and ready to work. It is in response to these numbers that Louisiana is holding these job fairs.

The job fairs are coordinated with National Disability Employment Awareness Month (NDEAM), which occurs every October to recognize the contributions of people with disabilities to our community and nation. The official NDEAM theme for 2004 is **“You’re Hired! Success Knows No Limitations!”**

Business representatives will be available to help job seekers in their search for the right position. Community business leaders will be able to share with and learn from each other about the benefits of working with people with disabilities as customers and employees. Local businesses will be seeking qualified workers to fill available positions.

The job fairs will be held on October 20 at the locations listed below:

Lake Charles

Lake Charles Civic Center (October 18)

New Orleans

Delgado Student Life Center

Baton Rouge

Louisiana Resource Center for Educators

Houma/Thibodaux

Evergreen Cajun Center

Lafayette

Affiliated Blind of Louisiana Training Center

Alexandria

Bolton Avenue Community Center

Shreveport

Shreveport Municipal Auditorium

Monroe

Monroe Civic Center Arena

For more information, call John Stiegman at (504) 382-4081, or visit the Louisiana Business Leadership Network website at www.lbln.org.



STOP FRAUD

Louisiana Ups Ante In War Against WC Fraud

Each year billions of dollars are wasted nationally on fraudulent workers compensation claims. Injured workers filing exaggerated or false claims, employers underreporting payrolls to reduce insurance premiums, and healthcare providers over-billing insurers are but a few of the ways fraud is committed at great cost to the comp system. The Office of Workers' Compensation Administration's (OWCA) Fraud Claims Division investigates all of these types of fraud and more in its effort to protect the comp system from those who would try to manipulate it for their personal financial gain.

The OWCA is taking the lead in the formation of a multi-agency task force that will make it easier for citizens to report any kind of suspected fraud to one central location. With assistance from the Attorney General's office and the Louisiana State Police, the OWCA will bring together other state agencies that are exposed to fraudulent actions to provide a toll-free hotline along with a website to permit the reporting of suspected fraud. The information will be routed to the appropriate agency for investigation and, if necessary, prosecution.

By pooling their resources, the OWCA, the Department of Social Services' Food Stamp Division and Medicaid Programs, the Department of Insurance and the Department of Revenue will conduct statewide educational and informational seminars to promote fraud awareness and to instill interest among Louisiana citizens in reporting it whenever they witness it. The campaign, called "Stamp Out Fraud Louisiana," will kick-off in early October. The campaign will focus on the adverse impact that fraud has upon Louisiana's economy, as well as each and every one of its citizens.

By educating workers, employers, insurers and healthcare providers, the OWCA hopes to enroll these groups in its efforts to weed out fraud in the comp system. The agency also hopes that the campaign will serve to discourage those who might otherwise be tempted to commit fraud from doing so. The OWCA wants to maintain the integrity of

legitimate workers comp claims by returning ill-gained dollars to employers and insurers.

For more information, go to the Louisiana Department of Labor website at www.ldol.state.la.us. As soon as they are available, LABI will post the fraud hotline number and website, as well as seminar dates, on our website at www.labi.org.

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.

- Civil Justice Reform Council
- Education & Workforce Development Council
- Employee Relations Council
- Energy Council
- Environmental Quality Council
- Health Care Task Force
- Small Business Council
- Taxation & Finance Council
- Trade, Tourism & Transportation Council
- Unemployment Comp Task Force
- Workers Comp Task Force

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

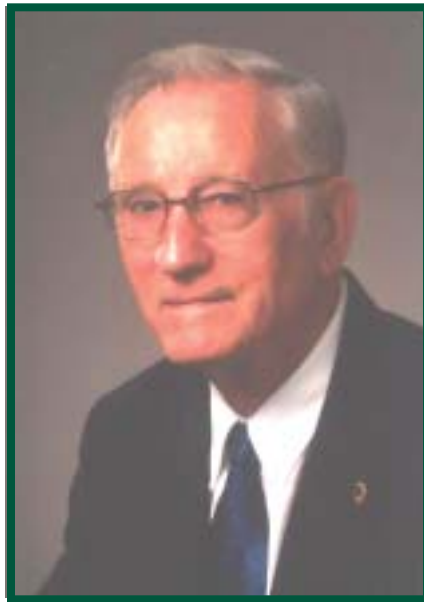
IN MEMORIAM

Strong Supporter Of LABI Passes On

By Dan Juneau

One of the most active and engaged members of LABI passed on recently. Craig Kennedy will be long remembered by the business communities in Shreveport and Bossier City, and by the board of directors and staff of LABI.

Craig founded Red Ball Oxygen of Shreveport in 1969 and, through sound business practices and good business ethics, made it a success. He was instrumental in founding the Augers Business Association in 1988 and was a moving force within it. Craig will perhaps be best remembered for all the work he did for law enforcement in the Shreveport/Bossier area. Whether it was financing the police banquet or Sheriff's picnic, or raising money for bulletproof vests for law enforcement personnel, Craig was always there



Craig Kennedy

for those who put their life on the line for the citizenry.

What I will probably remember Craig most for was speaking out on key business issues. He wrote his representatives often to

explain how legislative issues impacted the bottom line of businesses, and he put his money where his mouth was at election time. If every businessperson had Craig's level of political involvement, the business climate of Louisiana would be light-years ahead of where it is now. Craig was an active member of LABI's board of directors from 1994-2002, and also served a term on the Executive Committee of the organization. He was an outspoken advocate for small businesses during his term on the board and he answered every call for assistance that came from the organization.

The membership, board of directors and staff of LABI send their sincere sympathy to the Kennedy family, along with the assurance that Craig will never be forgotten by us.

Sign Up For VoterVOICE Today!

LABI's electronic grassroots communications system, VoterVOICE, provides you with the fastest and most efficient way to contact your legislators, as well as other elected officials.

Grassroots contacts often determine the fate of a bill in the Legislature.

With VoterVOICE, we can send legislative alerts and urgent action requests to you by email or fax, and you can in turn immediately contact your senators and representatives.

To sign up for VoterVOICE, go to the LABI website at www.labi.org. There, you'll see the VoterVOICE icon. Click on the button, and you'll be guided step-by-step through registration and communications with legislators and other state officials.

Last session, VoterVOICE allowed us to send literally thousands of emails to legislators, and there's no doubt it had a major impact. For more information, contact Ginger Sawyer at (225) 928-5388.



Make Plans to Attend

LABI's

2004 Benefit* Golf Tournament

MONDAY, SEPTEMBER 27, 2004

University Club, Baton Rouge, LA

SPONSORSHIPS

Hole Sponsor	\$ 250	Gold Tournament Sponsor	\$1,500
Silver Tournament Sponsor	\$ 750	Platinum Tournament Sponsor	\$2,500

Silver, gold and platinum sponsorships include a 4-person team, recognition at the tournament and in the Enterprise magazine.

If you are interested in becoming a sponsor, please contact Hoyt Strain at LABI, (225) 928-5388, ext. 248 or e-mail at hoys@labi.org.

For more information about the tournament, please contact LaJean Lala at LABI, (225) 928-5388, ext. 227 or e-mail at laje anl@labi.org.



**all net proceeds to benefit Northdale Magnet Academy, an alternative public high school in Baton Rouge*