

# 2016 LABI LEGISLATIVE SCORECARD

WHERE WE STOOD | HOW THEY VOTED **ALEXANDRIA**

## HOUSE

**HOWARD** 93%

**HARRIS, L.** 61%

**HAZEL** 47%

**BROWN, T.** 35%

**HALL** 22%

**ARMES** 21%

**JOHNSON, R.** 19%

**HILL** 9%

## SENATE

**SMITH, J.** 51%

**LONG** 36%

**LUNEAU** 16%

### Who We Are.

The Louisiana Association of Business and Industry is the state's largest business organization, and a voice for the principles of free enterprise in Louisiana.

### What We Do.

We represent the views and interests of the Louisiana business community in the political, legislative, judicial and regulatory processes.

#### Your Voice at the Capitol

LABI protects the interests of your business day in and day out both in Baton Rouge and Washington, D.C.

#### Resources for Your Business

LABI's Policy Directors are the authority on their issue area and make themselves a viable resource, available to all members for information. LABI also offers the Benefits Center which provides employers of all sizes a menu of benefits and administration tools – at a discounted rate for LABI members.

#### Events that Get You Connected

LABI's annual events, seminars and issue councils give you an opportunity to get to know other business leaders from around the state.

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## WHERE WE STOOD

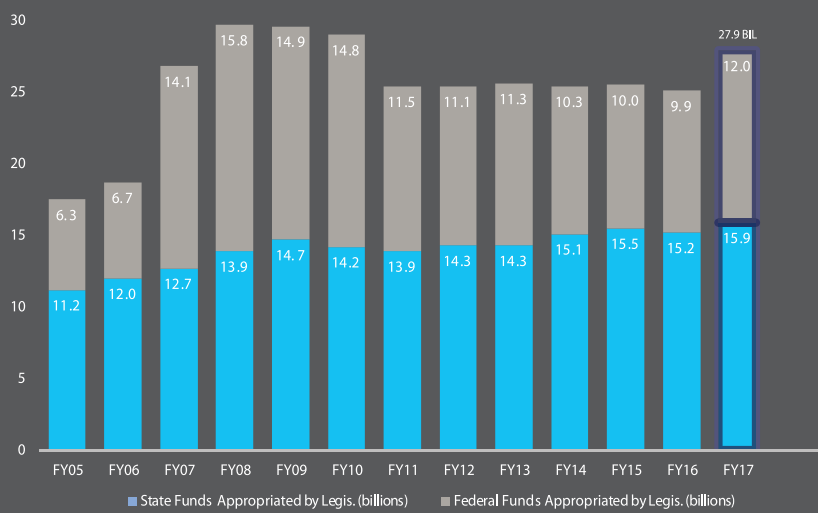
## HOW THEY VOTED

UNDERSTANDING THE LOUISIANA STATE BUDGET

### BUDGET BASICS

- The Legislature appropriated nearly \$28 billion for FY 2017.
- This is the highest level of funding for state government since the influx of hurricane recovery dollars following Katrina and Rita.
- Meanwhile, the private sector in Louisiana is in a recession with more than 19,000 jobs lost in 2015 and 2016.

THE LOUISIANA STATE BUDGET IS GROWING...



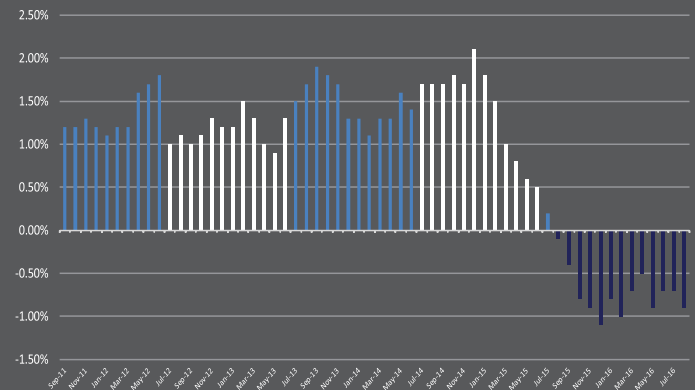
Source: Louisiana State Budget



Louisiana's jobs deficit is growing yet our government deficits never seem to shrink. We must start funding a reformed government that is proportional to our economy rather than over-taxing our economy to fund an unreformed government.

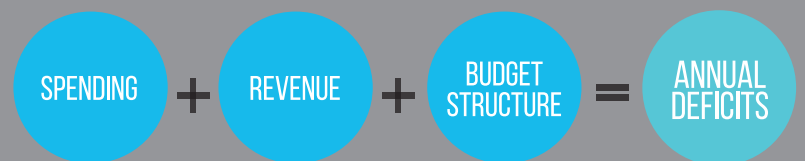
- Stephen Waguespack, President & CEO, LABI

EVEN AS THE LOUISIANA ECONOMY IS IN A RECESSION.



Employment Growth Year Over Year (% change) - Legislative Fiscal Office data.

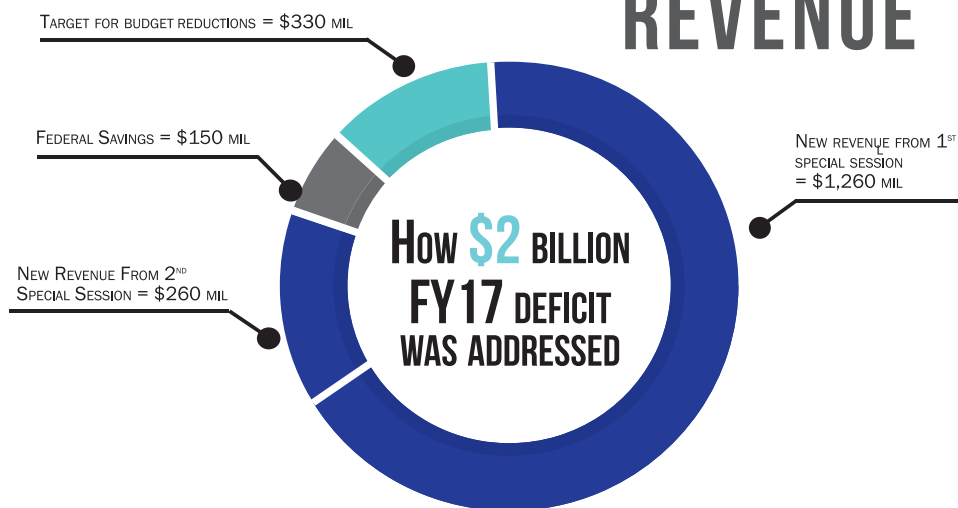
### MAJOR FACTORS IN THE DEFICIT



- A "deficit" exists when the full cost of state government is greater than the annual projected tax revenue.
- The expenditures of state government have been increasing faster than tax revenue...
- ...And there has been little to no effort to truly prioritize and limit state spending.

DESPITE THESE 3 FACTORS, LEADERS HAVE LARGELY FOCUSED ON ONE WAY TO ADDRESS THE DEFICIT: **MORE REVENUE**

### MORE REVENUE



### LOUISIANA IS NOW AN OUTLIER IN TAX POLICY

- #41 BUSINESS TAX CLIMATE
- #1 HIGHEST CORPORATE INCOME TAX RATE IN THE SOUTH
- #2 HIGHEST CORPORATE FRANCHISE TAX RATE IN THE NATION
- #3 MOST STATE/LOCAL SALES TAX ON BUSINESS INPUTS
- #4 GREATEST ANNUAL INCREASE IN BUSINESS TAXES
- 2 STATES WITHOUT CENTRALIZED COLLECTIONS
- 3 STATES CAP CARRY-FORWARDS OF NET OPERATING LOSSES
- 9 STATES TAX MANUFACTURING MACHINERY AND EQUIPMENT
- 10 STATES TAX INVENTORY STATEWIDE
- 14 STATES TAX MANUFACTURING UTILITIES

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STRATEGIES TO GET FISCAL REFORM RIGHT

1. COMPREHENSIVE SOLUTION

2. LONG-TERM IMPACT

3. NO SACRED COWS

4. FIX WHAT IS BROKEN

5. PROMOTE ECONOMIC GROWTH