

2016 LABI LEGISLATIVE SCORECARD

WHERE WE STOOD | HOW THEY VOTED **BATON ROUGE**

HOUSE

EDMONDS	100%
IVEY	100%
DAVIS	93%
MACK	88%
HODGES	86%
SCHEXNAYDER	84%
BACALA	83%
BERTHELOT	82%
PUGH	77%
CARTER, S.	75%
FOIL	55%
THIBAUT	53%
POPE	50%
BROWN, C.	45%
JORDAN	40%
PRICE	33%

JAMES	28%
HAVARD	23%
CARPENTER	22%
SMITH	22%
GAINES	18%
MARCELLE	16%

SENATE

WHITE, B.	71%
CLAITOR	67%
LAMBERT	47%
WARD	31%
ERDEY	25%
BROWN, TROY	16%
COLOMB	14%
BARROW	5%

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

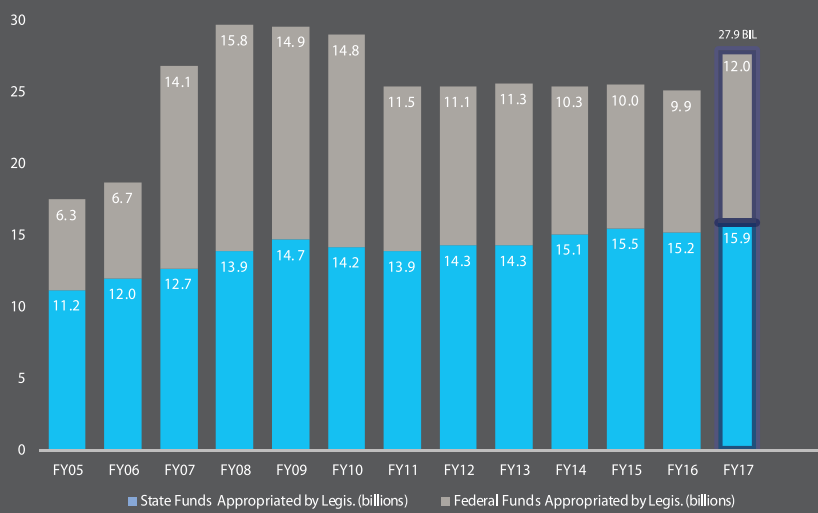
HOW THEY VOTED

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...



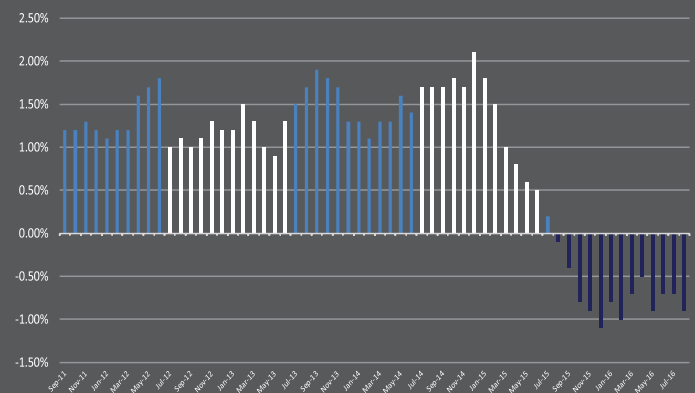
Source: Louisiana State Budget



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.

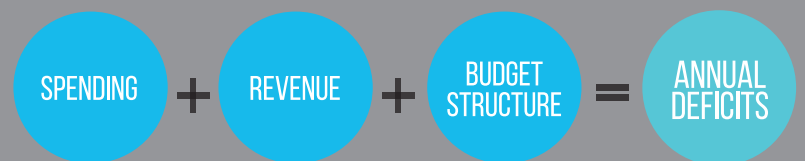
- Stephen Waguespack, President & CEO, LABI

EVEN AS THE LOUISIANA ECONOMY IS IN A RECESSION.



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

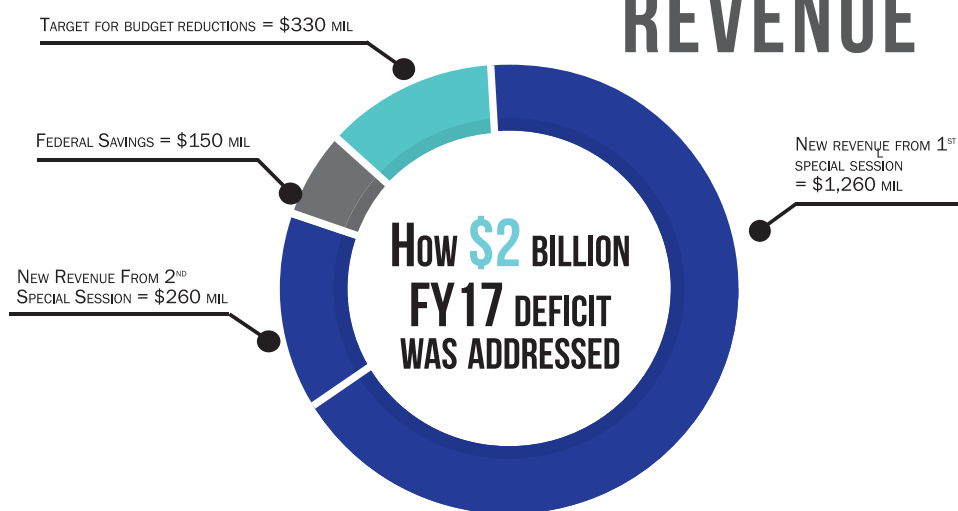
MAJOR FACTORS IN THE DEFICIT



- 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

5

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