



Capitol: **Baton Rouge**
Governor: **John Bel Edwards (D)**
General Elections: **4 Years (House, Senate, Governor)**

Legislature Convenes: **Annually**
Even Years: **General Sessions (85 Days)**
Odd Year: **Fiscal Sessions (60 Days)**

State Senate

Republicans: **25 (64%)**
Democrats: **14 (36%)**
Independents: **0**
Senate President: **John Alario (R)**
Majority Leader: **Danny Martiny (R)**
Minority Leader: **Eric Lafleur (D)**
Major Utility Committee: **Commerce**

House of Representatives

Republicans: **60 (57%)**
Democrats: **42 (40%)**
Independents: **3 (3%)**
House Speaker: **Taylor Barras (R)**
Majority Leader: **Lance Harris (R)**
Minority Leader: **Robert Johnson (D)**
Major Utility Committee: **Commerce**

Entergy Louisiana

Regulatory Body: **Louisiana Public Service Commission**
Members: **5 Elected Commissioners**
Election Cycle: **6 Year Alternating Terms**

Entergy New Orleans

Regulatory Body: **City Council of New Orleans**
Members: **7 Elected Councilmembers**
Election Cycle: **4 year**

The Louisiana Constitution provides that the Legislature is a continuous body during the term for which its members are elected; however, a bill or resolution not passed during a session in which it is introduced cannot

carry over to a subsequent session. During even numbered years, the sessions are considered “general in nature.” The general sessions run for not more than 60 legislative days (a day when either or both houses are meeting) during a continuous 85 day period. The legislature is prohibited from considering any proposals that are fiscal in nature. However, legislators may pre-file an unlimited number of general bills and may file five (5) bills after the session opening.

During odd numbered years, the sessions are considered “fiscal in nature.” Fiscal sessions may not run longer than 45 legislative days during a continuous 60 day period. Fiscal sessions include matters pertaining to the enactment of a general appropriations bill; implementation of a capital budget; making an appropriation; levying or authorizing a new tax; increasing an existing tax; legislating with regard to tax exemptions, exclusions, deductions, reductions, repeals or credits. In addition, during a fiscal session, each legislator may file five (5) bills which are not fiscal in nature.

The 2018 session was considered a general session, in which, no tax measures are allowed to be legislated. As a result, Governor Edwards called three “special sessions” to address tax and budgetary matters.

2018 First Special Session

The First Special Session convened February 19, 2018, with final adjournment March 7, 2018. The Governor’s Executive call for legislation was limited to seventeen items that addressed state operating expenses, business utilities taxes and the state sales and use taxes. The Legislature was unable to pass a hard fought revenue measure that would have avoided an approximate \$900 million budget deficit beginning July 1, 2018 from the expiration of temporary sales taxes.

2018 Regular Session

The 2018 Regular Session began March 12, 2018 and adjourned ahead of schedule on May 18, 2018. A total of 1465 bills were filed, of which 722 became law. A budget was passed but subsequently vetoed by the Governor.

Energy and Environmental Quality

Energy and our partners fended off many costly mandates including air quality monitoring, extensive water testing and prohibitions on industry activities. But the big win in this arena this session was the passage of House Bill 727, which institutes penalties for damage to critical infrastructure. This necessary piece of legislation will stop the dangerous trespass and destruction by individuals with malicious intent to harm and damage critical infrastructure.

Employee Relations

Numerous bills were filed this session to impose new requirements on employers in Louisiana. The perennial bills to establish a state minimum wage or to permit local entities to set their own and to impose cumbersome equal pay requirements on businesses were once again in play. Several bills were filed to enhance union organizing through quotas or local government mandates. A number of workers compensation bills were also introduced that would have made the system more expensive for employers and their comp insurers. All of the aforementioned instruments were either defeated on the Senate floor or in the House Labor Committee.

Government Reform

Although the Legislature was presented with a host of smart policies aimed to reform how we do business as a state, lawmakers failed to advance responsible measures such as public pension reform, a state transparency website and efforts to begin proceedings for a constitutional convention

Civil Justice Reform

This session proved to be another stalemate for civil justice reform. Roughly a dozen bills were filed favorable to trial attorneys, including legislation to raise medical malpractice caps, extend prescription, expand direct action and allow contingency fees; all were killed in House committees and on the Senate floor.

Technology

An attempt was made this session to develop a new state regulation for internet privacy procedures that would have caused inadvertent consequences for both internet service providers (ISPs) as well as taxpayers. Current federal laws already require all actors in the communications space to guard personal information enforced by the Federal Trade Commission (FTC) and state attorneys general. The cost and consequences of this new burdensome regulation would make it more challenging for utilities to maintain and expand their services and investment in smart metering.

Local Government Relations

Each year, utilities monitor legislation that affects our relationships with local governments and their powers as it relates to our business. Our focus is generally aimed at minimizing expanded expropriation and “quick take” powers. As filed, Senate Bill 425 would have removed our ability to monitor these changes by allowing local governments and “special districts” to make changes to their powers and duties without coming to Baton Rouge for approval. Entergy, with our utility partners, was able to kill the legislation on the House floor

2018 Second Special Session

The House and Senate, again deadlocked on budget and tax negotiations, failed to pass any revenue measures to fund the state’s budget in the first special session. The legislature adjourned the regular session ahead of the June 4 deadline allowing the Governor to call a second special session beginning May 22 and ending at midnight on June 4. Bipartisan negotiations on taxes left House Republicans asking for one third of one percent sales tax increase and House Democrats, as well as the Senate, asking for one half of one percent. As these negotiations evolved, utilities and the oil and gas industry were forced to lobby heavily against the stripping of their sales tax exemptions on manufacturing, machinery and equipment (MM&E) as it became the revenue source needed to pass a one third (over a half) of the fifth percent of state sales tax.

A budget was passed but time expired before any tax bill was able to pass, leaving the state budget underfunded for FY2019.

2018 Third Special Session

As time expired on the second special session and a June 30 fiscal year end fast approaching, the Governor called a third special session to legislate the remittance of some portion of the sales and use tax to cover the remaining budget shortfalls. The debate between parties throughout the first and second special sessions revealed that a common ground between a third and a half of one percent was likely.

Within the first week, HB 10 by Rep. Paula Davis (R-Baton Rouge) emerged as the instrument that might send the legislature home for the summer. HB 10 would extend .45% of the temporary 1% state sales tax until June 30, 2025. The bill also removed various exemptions, but protected manufacturing machinery and equipment (MM&E) and many other important sales tax policies that affect business and industry in Louisiana.

The third special session and 2018 legislative season came to an end with both chambers passing HB 10 by super majority, funding a budget that avoided substantial cuts to education and healthcare.