



## LOUISIANA LEGISLATIVE REPORT

### State Profile

Capitol: **Baton Rouge**

Governor: **Bobby Jindal (R)**

General Elections: **4 Years (House, Senate, Governor)**

Legislature Convenes: **Annually**

Even Year Sessions: **General Sessions (85 Days)**

Odd Year Sessions: **Fiscal Sessions (60 Days)**

### Senate Makeup

Republicans: **24 (61.54%)**

Democrats: **15 (38.46%)**

Term: **4 Years**

Presiding Officer: **Senate President John Alario (R)**

Majority Leader: **Senator Danny Martiny (R)**

Minority Leader: **Senator Eric Lafleur (D)**

Major Utility Committee: **Commerce Committee**

### House

Republicans: **58 (55.23%)**

Democrats: **45 (42.85%)**

Independents: **2 (1.904%)**

Term: **4 Years**

Presiding Officer: **Speaker Charles "Chuck" Kleckley (R)**

Majority Leader: **Toni Ligi (R)**

Minority Leader: **John Bel Edwards (D)**

Major Utility Committee: **Commerce and Industry**

### Regulatory Body

Regulatory Body: **Louisiana Public Service Commission**

Members: **5 Elected Commissioners**

Election Cycle: **6 Year Alternating Terms**

## Overview of 2012 Issues

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 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.

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. The 2012 session was considered a general session.

## **2012 SESSION HIGHLIGHTS FOR UTILITIES**

### **One Call Related Legislation**

House Bill 894 was filed at the request of Louisiana One Call. Entergy’s electric operations group pointed out that the bill would penalize Entergy in situations when the company fails to call in emergency locates within 4 hours of digging (even in cases of hurricanes or tropical storms). Chairman Ponti agreed to add an amendment to the bill that provided an extension, from 4 to 12 hours, for emergency locate notifications to One Call when a gubernatorially declared state of emergency is in effect for a tropical storm or hurricane.

### **Asset Relocation**

Senate Bill 408 was by filed by Senator Ed Murray and would have required Entergy to be responsible for costs associated with temporary line relocation when requested by the New Orleans Sewage and Water Board. Senator Murray was not able to advance his bill through the Senate floor. This is the fifth year that he filed the legislation.

House Bill 874 by Representative Hazel provided that municipalities and parishes with populations of under 15,000 people would not be required to pay the cost of utility relocation associated with a state highway construction projects. Instead, the bill mandated that either DOTD absorb the cost or that the relocating utility pay for the cost of relocation. During the House Transportation Committee meeting, Chairwoman St. Germaine offered Entergy’s requested amendment to exempt IOUs regulated by the Louisiana Public Service Commission. It was unanimously approved. The bill ultimately ran into trouble on the House floor and was returned to the calendar where it remained for the session’s duration.

### **Commercial Vehicles**

House Bill 117 (Representative H. Burns) was filed at the request of Entergy. Last year Representative Burns brought a bill to allow commercial drivers to apply and receive waivers from federal vision requirements under certain circumstances. He agreed to exempt utilities from his bill; however, the agreed upon amendment was inadvertently stripped out by staffers not privy to Entergy’s deal. HB 117 fixed the inadvertent mistake, and utilities are now exempt from being required to hire commercial drivers at a lower safety standard.

### **Expropriation**

House Bill 274 by Representative Foil was filed at the suggestion of the Louisiana Law Institute, but was extremely weighted in favor of landowners. Without amendments, the bill added multiple additional

steps to the expropriation process and slowed down the time period for resolution of litigation surrounding expropriation proceedings. Multiple utility and gas companies added amendments to the legislation to lessen the burden on private expropriators.

### **Impediments to phone and online payments**

House Bill 399 filed by Representative Regina Barrow required merchants to request a form of photo identification when a consumer uses a credit or debit card. The author indicated to all interested parties that the bill was intended as a means to reduce identity theft. This is the second year in a row that the legislation was filed. In 2011, as a result of discussions with the utilities, she agreed to exempt public utilities from the legislation. The bill ultimately encountered an extremely high volume of opposition from other members of the business community and was killed. This year, Representative Barrow did not attempt to move the bill out of committee.

### **Copper Theft**

Originally, over 15 bills addressing copper-related issues were filed during the legislative session. Entergy and other involved parties requested that Commerce Chairman Erich Ponti facilitate a meeting for the purpose of consolidating the multiple pieces of copper legislation. As a result of the meeting, the bills were successfully consolidated. Over the objection of many secondhand dealers and pawnbrokers, Entergy's position was successfully advocated insofar as no "cash for [a] copper" transaction continues to be the law in the state. Additionally, new language was added to the legislation to prohibit the onsite cashing of checks for copper-related transactions. Further, all check payments must be held 5 days for copper transactions as a result of the legislation.

### **Indemnity**

Entergy led a group of industrial and utility stakeholders to pass Senate Bill 693. The bill addresses unforeseen construction indemnity issues caused by legislation passed in 2010. The bill permits parties to enter into construction indemnity contracts with certain restrictions that limit the allocation of risk through indemnity. Specifically, the bill allows an indemnitor to promise to indemnify, defend, and hold harmless the indemnitee if: (1) The agreement requires the indemnitor to obtain insurance to insure such obligation; (2) There is evidence that the indemnitor is allowed to recover the cost of the required insurance in the contract price, (3) The indemnitor's indemnity obligation is limited by the amount of insurance required by the contract and (4) there is a percentage of liability on the part of the indemnitor (even if 1%).