

The Employee Free Choice Act (Card Check)

The Threat

- **Unions have lost their prevalence in the workforce over the past five decades, making up 30% of the private workplace in the 1950s and less than 8% today. “Card Check” would reverse this trend and open up wide swaths of the economy to union organizing, especially small business.**
- **The existing law honors a worker’s right to a private ballot.** Currently, workers sign cards indicating interest in an election. The union and the employer then have a chance to make their case before workers vote in a federally-supervised private-ballot election. If the union wins more than 50% of the votes, they are certified and collective bargaining begins.
- **Card Check would effectively eliminate private elections.** Under Card Check, if more than 50% of workers at a facility sign a card, the NLRB would have to certify the union, and a private ballot election would be prohibited, even if workers want one.
 - **71% of voters agree that a private election is better than card check.**
- **Card Check would give union organizers free rein to pressure workers into joining unions, potentially subjecting them to intimidation and abuse from union bosses.**
- **Under a Card Check organizing campaign, a union has no obligation to tell an employer it is launching an organizing drive.** An employer may not find out an organizing campaign is underway until ordered by the federal government to start collective bargaining.
- **But that’s not all. Card Check could force companies to let government arbitrators decide how their business operates.** Card Check would send companies into binding arbitration if they cannot reach agreement with the union on an initial contract after 120 days. This means a panel of government arbitrators with no understanding of the business would impose a two year contract which would decide all workplace terms without any review by the company or its employees. Because this package will always be more than the employer is prepared to offer, the company will always lose.
 - **75% of voters believe government arbitrators shouldn’t decide the conditions of a union contract.**

Standing Up to Organized Labor

- We can’t let a labor movement desperately searching for new members, or politicians hungry for union donations, turn back the clock fifty years in America.
- To counter organized labor’s undemocratic grab for power and protect workers’ secret ballot rights, the U.S. Chamber of Commerce launched the **Workforce Freedom Initiative**, a nationwide, multi-million dollar campaign to educate and mobilize our members to block Card Check.
- Through paid media, grassroots outreach, advocacy, and education, the U.S. Chamber will galvanize small business owners, workers, community leaders, and citizens to **preserve the rights and freedoms of Americans in the workplace.**

Coalition for School Board Reform Unveils Plan

Legislative package aims to refocus boards on schools, student performance

Monday, March 23, 2009

(Baton Rouge, LA)— State Rep. Steve Carter today joined The Council for A Better Louisiana (CABL) and the Louisiana Association of Business and Industry (LABI), to unveil a legislative package aimed at improving local school boards so they are better focused on school and student performance.

Speaking before members of the Press Club of Baton Rouge, Rep. Carter outlined the need to focus on local boards. “This January, *Education Week* published its annual ‘Quality Counts’ issue, ranking Louisiana one of the best in the nation for our public education accountability program and other state policies, but 47th for student achievement. Clearly our progress is stalled at the district level, stopping short of our students,” said Carter.

CABL and LABI noted that in the past decade Louisiana has provided strong school accountability measures, massive new funds to districts, higher teacher pay, comprehensive testing and higher standards, stronger teacher qualifications, access to pre-K, new reading and math programs, classroom technology, and much more. Yet, we have many schools and school districts that continue to fail our kids. “We have addressed education reform at the state level. Now it’s time to focus on local school boards in these reform efforts,” Carter said.

Rep. Carter, LABI and CABL share the belief that there is a need in Louisiana to:

- 1) Improve the governance functioning of school boards so they are focused on student achievement and performance of schools.
- 2) Increase new leadership opportunities for fresh ideas and innovation.
- 3) Reduce interference and politics in day-to day operations and personnel decisions.
- 4) Give the superintendent real authority; shield him/her from board meddling and politics.
- 5) Increase citizen awareness on school board responsibility and roles in educational reform.

Rep. Carter’s proposed legislation will:

- o Make it illegal for an individual board member or groups of board members to interfere with district personnel decisions by the superintendent, including: hiring, firing, transfers, assignments, incentives, promotions, etc. And, also provide that violating this provision constitutes malfeasance in office. Further mandates that the local superintendent is required to report violations to the local district attorney.
- o Require a super majority (2/3 vote) of the board to hire or remove a superintendent, as is currently required of BESE with the state superintendent.
- o Clarify the definition of nepotism for employees in school systems.
- o Eliminate pay by providing only per diem for meetings (\$50 per diem, up to four a month), plus vouchered official travel expenses. State law states school board members “shall serve without pay.” Instead, they have voted themselves as much as \$800 lump sum monthly unvouchered payments (\$900 for board presidents). This was not the intent of the law.
- o Eliminate employee health insurance benefits for these part-time elected board members, as has already been done with retirement benefits.

- Limit local school board members to the same three-terms as BESE, Legislators and most boards and commissions, starting with the next election.

“There is nothing in this reform to prevent a good school board from continuing its good work,” said Barry Erwin, CABL President. “Though some local boards may do a good job of governing for our students, many are focused on the micromanagement of their district’s operations and interfering in personnel decisions. Such distractions keep them from actively working to improve school performance and student achievement. Our goal is to remove these distractions and give our boards a clear opportunity to govern for the academic success of our students.”

“When professionals look to relocate their families to a new city, schools are one of the first things they check out,” said Brigitte Nieland with LABI. “Louisiana cannot hope to retain and attract the best and brightest, retain businesses and bring in new ones, if they believe that their children can’t receive a good public education. Continuing Louisiana’s reforms is essential for economic development. This is not about blame. It is about being thorough as we strive to improve our education system.”

The 2009 Legislative Session begins Monday, April 27.

Founded in 1962, CABL works to improve the quality of life for Louisiana citizens by raising awareness of critical issues, promoting sound policy, fostering civic leadership and championing government accountability

LABI -- POLITICAL ACTION

February 9, 2009

Small Business Tax Increase

The 2009 legislative session begins April 27, 2009 in Baton Rouge. So far there has been little or no talk of tax increases at the state level, but don’t let that fool you. During the session legislators will be debating proposals to enact one of the largest property tax increases on small business in the history of the state – by increasing the homestead exemption!

Homestead Exemption Shifts Property Tax Burden to Business

Increasing the homestead exemption would further remove residential property and improvements from the property tax rolls, thereby decreasing total assessed values in each parish. Our state constitution requires that, when assessed values decrease, millage rates automatically increase, so that the local taxing bodies will continue to generate the same revenue as collected in the prior year. Increasing the homestead exemption does not result in lower tax collections or lower tax rates – but, rather the tax burden of residential homeowners is passed on to businesses, renters, and middle-class homeowners by imposing higher millage rates necessary to generate the same tax collections as the prior year.

Louisiana’s \$75,000 homestead exemption is already one of the highest in the country. The result – over 50% of Louisiana homeowners pay ZERO property tax! Other fixed-income homeowners, who are 65 years old and older and make less than \$64,500, receive the benefit

of special level assessments that freeze their property values. On the other hand, 100% of businesses pay property tax, which is why business and industry pays over 80% of all of the property taxes paid in the state.

Small Business Already Hurt by Current Homestead Exemption

Today, the homestead exemption shifts in excess of \$650 million of the residential property tax burden to businesses, renters, and middle-class homeowners. Projections show that as all of the remaining residential property in the state approaches \$75,000 in value, another \$250 million tax increase will be shifted to business, even if there is no change in the current homestead exemption.

The ultimate cost of fully implementing the current \$75,000 homestead exemption will be over a \$900 million tax increase on the small businesses of our state. This does not take into account any increases in the homestead exemption that will be considered during the regular session – simple math would suggest that doubling the homestead exemption to \$150,000 would eventually result in a total tax increase to business in excess of \$1.8 billion!

Business Pays at a 50% Higher Tax Rate

Under current law, businesses pay property tax at a 15% tax rate (some businesses even pay 25%), while the homeowner’s tax rate is only 10% -- that’s a 50% higher tax rate paid by business. This disparity is illustrated as follows.

	<i>HOMESTEAD PROPERTY</i>	<i>BUSINESS PROPERTY</i>
<i>FAIR MARKET VALUE</i>	\$100,000	\$100,000
<i>ASSESSMENT RATE</i>	<u><i>X 10%</i></u>	<u><i>X 15%</i></u>
<i>ASSESSED VALUE</i>	\$10,000	\$15,000
<i>LESS: HOMESTEAD EXEMPTION</i>	<u><i>(\$7,500)</i></u>	<u><i>N/A</i></u>
<i>TAXABLE VALUE</i>	<u><i>\$2,500</i></u>	<u><i>\$15,000</i></u>
<i>PROPERTY TAX (100 MILLS)</i>	<u><i>\$250</i></u>	<u><i>\$1,500</i></u>

The Solution – Limit Millage Roll-Forwards

Rather than increasing the homestead exemption and special level assessments, the resolution of higher property tax bills needs to be properly focused on its root cause – property tax millage rates. When assessors perform their constitutional function of valuing property at fair market value, the higher property values result in an automatic roll-back of millages. Generally, the combination of higher property values and reduced millage rates has the overall effect of leveling off property tax bills, which benefits all taxpayers, not just a few select classes of homeowners.

However, following the automatic roll-back of millages, local taxing bodies are authorized under the state constitution, and without voter approval, to roll-forward millage rates with only a two-thirds vote of the members of the taxing body. It is this subsequent rolling-forward of the millage rates, and not the reassessment of property to current fair market value, that produces sticker shock property tax bills. Many of these taxing bodies that choose to roll-forward their millages are not even elected officials, but rather appointed members of boards that have the power of taxation.

Limiting the ability of taxing bodies to roll-forward millages without voter approval will help lower both property tax millages rates and the property tax bills of all taxpayers.

Action Needed – Now!

The proponents of increasing the homestead exemption are getting their message out, and even circulating a petition for signatures. Your legislators need to hear from you TODAY – don't wait until the session starts, and don't assume they will be with us. Tell them, as business owners, we are already paying \$650 million of the property tax burden of homeowners and enough is enough! Also tell them the focus needs to be on the millage rates, and limiting the rolling forward of millages will result in lower overall millage rates for all taxpayers.

Take Action

2010 Federal Budget: Oil and Gas Incentive Elimination

The FY 2010 budget proposes to eliminate tax incentives that have been in place for the oil and gas industry that allows them research and development (exploration and production) dollars

Elimination of these dollars will increase gas prices and cause the loss of 5.929 million American jobs:

1. 1.838 million Americans directly employed in the United States Oil and Gas Industry.
2. 4,066 million indirect jobs created by the oil and gas industry.

The abrupt and dramatic removal of tax incentives currently available to oil and gas exploration and production will result in a significant reduction in domestic energy production.

Reduction of domestic energy production will result in increased reliance on foreign oil and gas until alternative domestic energy can fill the void, and this drastic decline in domestic production will have an overall adverse impact on domestic energy production.

The administration's proposed budget for 2010 would strip essential capital from new American natural gas and oil investment by radically raising taxes through the elimination of tax exemptions on American production. The FY 2010 budget provides for a nearly \$30 billion dollar tax increase on the nation's oil and gas producers, and proposes to use this money to help fund alternative energy

projects. They FY 2010 budget includes the most devastating tax proposal in the history of America's oil and natural gas industry.

Natural gas and oil provide 65% of America's energy. New wind energy and solar energy require new natural gas turbines to run when the wind does not blow and the sun does not shine. American natural gas is essential to meeting any clean energy agenda associated with global climate. American natural gas and oil are essential to any energy security plan.

Oil and gas companies invest a total of 174 billion back into American industry, with represents 97% of the company's net income and invest it in emerging technologies.

The fiscal, urban, and rural impact will result in trillions of dollars being lost, millions of jobs lost, our nation's energy security severely threatened, and American citizens incurring extremely high gas prices, higher energy costs, increased taxes for those who do not drive energy efficient vehicles, and other new taxes during a recessed economy.

This will affect IRA accounts, individual investors, pension funds, mutual funds and other asset management companies and other institutional investors along with the oil and gas industry.

Other energy consumption industries that are affected by this budget are petroleum, coal, and nuclear.