



Bobby Jindal
GOVERNOR



ECONOMIC REFORM:

EXPANDING INNOVATION, INVESTMENT
AND OPPORTUNITY FOR ALL LOUISIANIANS

Fresh Start
FOR *Louisiana*

A MESSAGE FROM BOBBY JINDAL

Dear Louisianians,

Louisiana exports many valuable products to the rest of the world. Among other items, we provide delicious seafood and agricultural products, a host of manufactured items, artistic creations of all sorts, and valuable oil and gas to fuel the nation.

While these exports all add value to our state's economy, our most valuable export is our children and they unfortunately leave our state every day at an alarming rate.

Since 1980, Louisiana has had the third lowest rate of population growth in the country, bettering only North Dakota and West Virginia. We have grown 15% less than Mississippi, 21% less than Arkansas and 64% less than Texas. Louisiana is the only Southern state to consistently have more people moving out faster than moving in.

According to a recent report by the Federal Reserve, Louisiana attracts fewer college-educated workers than any other state in the nation. Forbes ranks Louisiana as the second worst state in the country to do business.

Our state is losing an average of 30,000 people a year, which breaks down to roughly 82 residents every day and 3.5 residents every hour.

This rapid rate of migration of our citizens leaving this state to pursue opportunity in other states is not a recent phenomenon. In the 1990s, nearly 140,000 more people left Louisiana than moved here from another state.

Blaming our state-wide migration problem solely on the 2005 hurricanes does a disservice to cities like Shreveport, Monroe, Alexandria and countless others that are also losing their kids to cities like Atlanta, Austin, Birmingham and Houston.

In many cases, these people wanted to stay in the state they love and near their families, but felt they simply could not find economic opportunity here at home. This reality must change.

It is time for those that have left to pursue greener economic pastures to return home to find prosperity here. This can only happen if we make the reforms needed to improve our economy across the state.

State government can best serve the people by creating an environment and regulatory structure that cultivates more jobs, higher wages, and greater industry diversification.

New and growing companies would expand our tax base and cut unemployment, enabling the state to save our coastal wetlands, invest in our infrastructure, and improve our schools.

Working families would have more resources to address their needs and our children would be able to stay here without giving up their economic potential.

As Governor, I will make creation of a dynamic economic environment that benefits all Louisianians a top priority.



“Creating more opportunities for our children to pursue their dreams in Louisiana will be my top priority.”

- BOBBY JINDAL

Every Louisianian feels the effects of a lagging economy.

From a lack of financial security to concerns about our children's education, the impact of our economy is felt far and wide.

STATE SUMMARY

Financial Security	F
Business Development	C
Homeownership	C
Health Care	D
Education	F
OVERALL	F

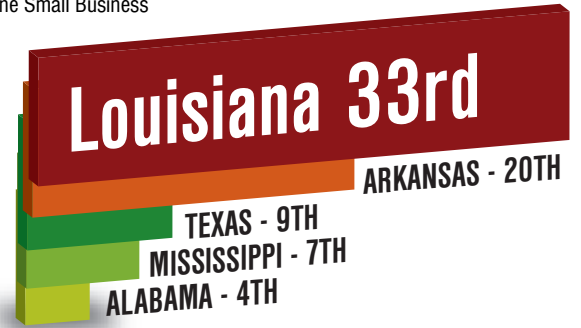
2007-2008 Assets and Opportunity Scorecard;
<http://www.cfed.org/focus.m?parentid=31&siteid=2471&id=2476&stateid=18>

Our current business climate drives away new business and their jobs.

Businesses will not locate in a state that does not support their growth and success and instead forces upon them higher taxes and burdensome regulations.

Worst States for Small Businesses

States with highest taxes and most government regulation
 Fortune Small Business



Our children - our greatest asset - are leaving Louisiana in droves.

Without the promise of economic opportunity and future financial security, Louisiana cannot compete to retain and attract an educated workforce.

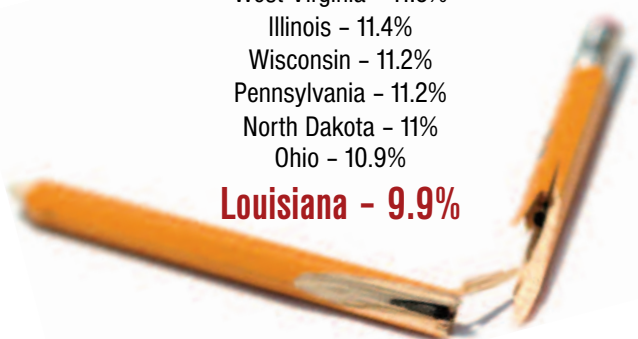
States Attracting Lowest Percentage of College-Educated Workers

Federal Reserve Bank of New York - August 2007 study

Bottom 10 States:

- Iowa - 11.9%
- New York - 11.8%
- Michigan - 11.6%
- West Virginia - 11.5%
- Illinois - 11.4%
- Wisconsin - 11.2%
- Pennsylvania - 11.2%
- North Dakota - 11%
- Ohio - 10.9%

Louisiana - 9.9%



Louisiana Road Report Card

	GRADE	COMMENT
Roads	F	Nearly half of our roads are in poor or mediocre condition.
Bridges	D-	15% of our bridges are structurally deficient, 17% are functionally obsolete.
Congestion	C	Vehicle travel on Louisiana's major roads increased 55% from 1990 to 2005. By 2030, a 100% increase in vehicle travel on major highways is anticipated.
Safety	F	Louisiana's traffic fatality rate is 40% higher than the national average. More than 4,700 people were killed in Louisiana traffic accidents from 2001 to 2005.
Funding	D	Louisiana's funding backlog is anticipated to be at least \$15 billion by 2010.

*data from 2007 TRIP study

The condition of our roads is a deterrent to job growth.
 Our roads and highways are not only integral to our quality of life, they are an important part of attracting jobs and new businesses to our state. Unfortunately, Louisiana's roads, bridges and transportation infrastructure are failing.

Bobby Jindal's Action Plan

Creating a Dynamic Economic Environment to Benefit All Louisianians

ELIMINATE ROADBLOCKS THAT STIFLE INVESTMENT AND DEVELOP NEW INCENTIVES TO EXPAND OUR ECONOMY

■ Eliminate unorthodox taxes on business investment and utilities.

Louisiana's "new job taxes" are some of the best weapons our neighboring states have going for them. We must give to Louisiana businesses the same relief given to individuals by eliminating the utility tax. The manufacturing machinery and equipment (MM&E) and the franchise tax on corporate debt taxes should also be eliminated. In the past, the Legislature has unfortunately been quick to delay phase-outs in order to pay for other items. We must work to eliminate these taxes if we truly want to expand our economy, increase high-wage jobs, and attract business investment.

■ Oppose any effort to create an oil and gas processing tax that would drive away business investment.

Any effort to do away with today's harmful taxes will be wasted if we simply replace these barriers to investment with a processing tax that may be even more harmful. Making Louisiana the first state to adopt a processing tax would discourage future business investment and, over time, we would see companies shift their capacity to other states and countries. Louisiana consumers would pay the price because world energy markets would simply not allow that tax to be passed along. We can create an environment that will attract investment while still making oil companies pay their fair share for leases, contracts, and the use of our lands. Indeed, I passed legislation in the House to force oil companies to pay a billion dollars per year in additional royalty payments that would significantly benefit Louisiana and our coastal restoration efforts. Challenges to a processing tax would delay investment in Louisiana when we do not have any time to waste. This tax would simply send the wrong message to industries planning expansions in Louisiana and others that are planning to come to our state (e.g., film) that we will tax you once you invest. Significant expansions currently underway (e.g., Marathon) that will employ thousands of people are exactly the kinds of economic investment that could be driven away to neighboring states by a processing tax.

■ Guarantee a fair, predictable and speedy regulatory process for employers to make it easy for them to invest and create jobs here in Louisiana.

Louisiana's regulatory processes should be streamlined, transparent and quickly completed. Many times, a company looking to invest in a state is looking for certain site attributes that are common amongst a number of states. In those cases, the ease of navigating through regulatory channels can be the difference maker. Too often, those channels in Louisiana are filled with time delays, cumbersome paperwork and hard to find information. From sales tax collection to environmental permitting, we can do better not by lowering our standards, but by making compliance with them quicker and more predictable.

■ Strengthen small business by expanding access to incentives, networking opportunities, and training programs.

Louisiana's small businesses are the primary engine for our economy and, in many cases, where you will find a majority of our state's innovators and entrepreneurs. We should help promote networking and

sharing of information by holding an annual small business conference and through a web-based resource center that makes navigating through the various permitting, tax forms and licensing processes an easier process. Helpful incentives for job creation, worker training and infrastructure investment are only productive if understood and accessible by those small businesses that need it most. We should oppose new burdensome taxes on small business and ensure our current tax code, regulatory structure, and workforce training programs are promoting the success of small business. We must help small businesses pursue federal and state contracting opportunities, especially in reconstruction efforts, by partnering them with "mentor" larger businesses for bids on larger projects and by putting a small business ombudsman in place to help with compliance costs and to make them aware of opportunities. Educational programs in our state universities, community and technical schools should be providing effective entrepreneurial programs to train people to start their own business and understand local markets.

■ Create an online one-stop-shop to learn about and apply for all available incentives so we can better attract employers of all sizes.

We must embrace technology to make regulatory compliance as easy as possible and ensure that those looking to invest in Louisiana are aware of all possible incentives. Those seeking information and eligibility for business incentives are often unsure of where to turn for help. We can help by improving departmental websites so that businesses can simply enter their information in a simple format to learn about all available incentives. In comparison to other states, only a fraction of the available incentives in Louisiana have online applications. Instead, Louisiana requires those looking to invest here in many instances to hunt within different departments for information, qualifications and applications. The situation has become so challenging that many companies considering an investment in Louisiana resort to hiring consultants to help them navigate our incentives process – adding unnecessary costs and creating the perception that Louisiana is a difficult, highly political place to do business. Cumbersome bureaucracy can no longer be an acceptable explanation for failed economic development efforts.

■ Make Louisiana's ethics laws and enforcement the strongest in the country.

For too long, corruption in our state has eroded the confidence of businesses, deterred investment in Louisiana and hurt our economic development. Corruption may be part of our past, but it will not be part of our future. We must demand an honest government that puts the residents of our state first and the special interests last. I have unveiled a 31 point plan to tear corruption and incompetence out by the roots. If elected, I will call my first special session for the sole purpose of considering comprehensive ethics reform, sending a clear signal to officials and business leaders across the country that Louisiana is serious when we say we are open for business.

DEVELOP A QUALITY WORKFORCE TO MEET THE NEEDS OF EXISTING AND NEW BUSINESSES

■ Provide a "Day One Guarantee" to businesses that Louisiana's workers are prepared.

Louisiana must make a commitment to employers by offering a "Day

One Guarantee” that will promise a highly skilled, trained workforce and free retraining for any graduate not meeting the needs of businesses. In comparison, I helped to implement a similar teacher guarantee in the University of Louisiana System to retrain for free any teachers that struggled in the classroom. We must ensure that students are aware of the job market and available post-secondary educational options, that industry and the state’s community and technical college schools are working together to ensure graduating students have the necessary skills, and our workforce development programs are accessible and effective.

- **Fully develop our community and technical college system and give them primary responsibility for delivery of worker training programs.**

The growth in recent years of our community and technical college system is helping to provide accessible, affordable, high-quality programs for those students not going to a four-year institution. Additionally, other students are starting their post-secondary education at a community or technical school and then transferring to a four-year institution. Today, our workforce training programs are scattered throughout different agencies and institutions. This has led to confusion for employers and employees to find the best programs to train workers for today’s high-wage jobs. These programs should be coordinated within Louisiana’s community and technical schools and these institutions must be held accountable for delivering high-quality training that meets the current demands of the marketplace. State funding should be based on success of students finding employment in Louisiana, so that we reward success, not just enrollment. Expansion of online education and training will help working families, rural residents, and others take advantage of these critical programs.

- **Maximize partnering of our community and technical college systems with businesses to tailor training programs and identify “shortage areas” in the marketplace.**

Studies show that about 65 percent of current and future jobs require more training than high school but less than a four-year college degree. High wage jobs in professions ranging from welding to criminal justice to computer technology, among others, are growing in demand. The community and technical college system should coordinate closely with business so that curricula will meet identified shortage areas in the marketplace. We must put in place a rapid response system to quickly target workforce shortages that arise. This can prevent problems we have already seen in the market, such as the nursing shortage affecting our health care community and our shipbuilders turning down new work and cancelling orders due to a limited workforce. Additionally, better coordination with high schools will help promote dual enrollment programs for students and alert them to jobs in demand.

- **Focus mission of the Louisiana Workforce Commission and improve the effectiveness of our business and career solution centers.**

While delivery of workforce training programs should be centered in our community and technical schools, the Louisiana Workforce Commission should be tasked with analyzing the evolving workforce needs of our state and helping match employers and employees with appropriate programs. The commission should prepare monthly performance reports



on the effectiveness of our regional business and career solution centers to ensure these centers are effective one-stop locations for business, educational institutions, job seekers and current workers. These centers must become valuable resources for information such as youth service programs, employer recruitment, job openings, adult and dislocated worker training, and career counseling.

- **Improve the effectiveness of the Incumbent Worker Training Program (IWTP).**

We must also fund the Incumbent Worker Training Program (IWTP) at an appropriate level, streamline the application process to maximize its effectiveness and continue to help small business qualify for these programs. The IWTP provides free worker training to companies existing in Louisiana for more than three years. We must ensure small business owners are not held to overly burdensome minimum class size requirements to qualify and that unclear guidelines and complicated paperwork requirements are not serving as roadblocks to success.

UTILIZE OUR HIGHER EDUCATION INSTITUTIONS TO PREPARE LOUISIANA'S STUDENTS FOR THE ECONOMY OF TOMORROW

- **Adequately fund higher education and prioritize funding for institutions that meet the needs of Louisiana.**

If we are to utilize the strengths of Louisiana’s educational institutions to expand our economy, we must adequately fund higher education. Louisiana’s commitment to funding our higher education institutions has finally begun to increase recently after years of neglect, a trend that must continue. In addition to ensuring we appropriately fund higher education, we also need to ensure those funds are spent wisely. We should consider prioritizing institutions that meet specific state goals, such as increasing graduation rates, joining in private/public partnerships to create new jobs in the region and the development of relevant academic programs to meet statewide and local job demand for identified industry sectors.

- **Develop national caliber university research departments in fields important to our state and regional economy.**

Recent studies show that innovative capacity derived through universities, R&D investments, scientists and engineers, and entrepreneurial drive is increasingly becoming the key to success in the new economy. If Louisiana is to take advantage of the many natural resources we have, we must embrace technology and innovation to compete with other states for high wage jobs. A critical step is to focus investments in activities like high caliber university research and specialized community and technical college programs to mirror targeted industry sectors. We should not limit these programs to focus on statewide identified sectors, but rather, to promote a focus on industry sectors within a certain region. The strong research departments we have in Louisiana, such as chemical engineering at LSU, computer

Bobby Jindal's Action Plan

science at UL-Lafayette, or micro-manufacturing at Louisiana Tech must be supported and expanded. These, and other, departments are not only providing valuable research opportunities for students, but are also proving to be the conduit for jobs in the region. As Governor, I will commit to developing nationally competitive state research departments here in Louisiana, improve the focus on technology transfer and commercialization, and work with universities to pursue top faculty with competitive salaries and endowments.

■ Commit to making our flagship institution nationally competitive in research.

Louisiana should learn from the success stories like the software and biotechnology industry in Silicon Valley, semiconductors in Austin, and medical devices in Boston. The historical success of these areas is at least partly related to their nationally competitive academic research departments at institutions like Stanford, UC-Berkeley, University of Texas at Austin, MIT, and Harvard. LSU must be supported so that it can compete with the other leading research universities around the country. We can no longer afford to be penny-wise and pound foolish by allowing valuable researchers that can bring in millions of dollars in grants to leave because we refuse to pay to repair crumbling infrastructure and facilities.

■ Promote partnerships between higher education and the business community and increase the R&D tax credit for companies that invest in Louisiana universities for basic research.

To further improve our university research departments and ensure that our educational institutions are meeting the needs of the communities in which they are located, we should improve the partnership between higher education and the business community. Louisiana ranks 46th in venture capital and 49th in the amount of industry investment in R&D. Nationwide, business and industry provides just under two-thirds of all R&D funding. One incentive we should consider is to double the R&D tax credit for companies that partner with Louisiana universities for basic research aimed towards identified economic development goals. Additionally, we should consider an R&D voucher program tailored to small businesses that invest in universities to commercialize technology or improve manufacturing processes. Tax credits for individuals that make monetary contributions to higher education in support of an academic program should also be pursued. Such bold signals will help attract new investment in our state, provide a benefit to our universities, and develop high wage jobs in targeted industries.

■ Improve efforts to attract federal research dollars for relevant types of research, such as cancer research.

Louisiana must also do a better job of attracting federal research dollars for certain types of research, such as cancer research. Cancer has now surpassed heart disease as the number one killer in our country, with Louisiana having the third highest cancer rate in the nation. Ever since I served as an assistant Secretary of the U.S. Department of Health and Human Services (HHS), I have strongly supported a nationally-designated cancer research center in Louisiana so that our patients and dollars no longer go to Houston. I believe such a center would create good paying jobs in Louisiana and provide access to the latest cures for our residents. The University of Alabama at Birmingham receives more federal research funding than all of Louisiana's public universities combined. We should take inventory of the public assets we have in place, like LSU, academic medical centers in New Orleans and Shreveport, and the primate research centers, along with entities like the Pennington Biomedical Research Center, Shehee Biomedical Research Institute, Oschner, and Tulane, and

develop a coordinated plan to compete for federal dollars and new research grants. This effort would not only improve our economy, but lead to better health awareness and top quality cancer treatment in Louisiana.

■ Encourage our universities to be leaders in technology transfer and commercialization.

We must encourage our universities to be leaders in technology transfer and commercialization so that businesses will invest in these institutions to meet many of the research needs they have. Changing the patent and royalty policy will give researchers financial incentives to commercialize research in Louisiana. Another option is to factor commercialization of faculty research in the granting of tenure to faculty, similar to efforts undertaken at Texas A&M. Research efforts between private and public entities should be geared to delivering commercial opportunities, improvements in manufacturing processes and improving wages for Louisiana workers. Incorporating regional centers for innovation and commercialization projects to match research grants by both federal and private sponsors can help innovators acquire capital to bring their ideas to the market.

IMPROVE OUR TRANSPORTATION SYSTEM TO ATTRACT JOBS AND IMPROVE QUALITY OF LIFE FOR ALL LOUISIANIANS

■ Dedicate recurring transportation-related taxes and fees to unlock the current \$14 billion backlog of projects.

We must permanently dedicate to transportation projects existing transportation fees, such as truck and trailer registration fees, along with vehicle sales and parts taxes. No longer can we allow these revenues to simply go the general fund to be spent by the whim of the Legislature and the Governor. Voters expected these revenues to go to roads when these taxes were imposed, and we owe it to them to follow through on that promise. Additionally, we should move existing commitments to the State Police Traffic Control and DOTD employee benefits permanently to the general fund. While these commitments are also important, they should be funded through the general budget. By taking these collective steps, we can commit roughly \$450 million annually in existing revenues to transportation. We must know year in and year out what funding levels we can expect to appropriately plan for projects. It only makes sense that revenues derived from transportation-related goods and services should be dedicated to the state's transportation infrastructure.

■ Prioritize funding for transportation projects that reduce traffic congestion and improve road quality.

Louisiana's transportation infrastructure needs more attention in the form of money, repairs, maintenance and new capacity. We have 6,000 miles of state and local roads that need repair. Almost half of our bridges are 40 years old and over a quarter of our urban interstates are congested. Different parts of the state have different variations of the problem, but the end result is the same – we simply cannot afford to ignore our roads any longer. As Governor, I will make reducing road congestion in densely populated areas a high priority and will pursue efforts to stay ahead of rising construction and right of way costs and speed up projects that will reduce congestion. We must plan for growth in advance, not after the fact. In addition, for less populated areas, we should guarantee that road quality and maintenance efforts improve and that adequate monies are dedicated to the repair of existing roads.

■ **Improve accountability efforts to ensure projects are built affordably and on time.**

My administration will enforce accountability to ensure that we spend transportation dollars wisely and effectively. We should consider expanding the use of “design/build” projects that can save time and money by combining the design and construction proposal process. I support the use of government revenue bonds (GRV) to speed up access to federal funds. We should also require guaranteed maintenance for a set time to be included on all road contracts and strictly enforce penalties for missed timelines and offer incentives for projects completed ahead of schedule. Additionally, we should consider public/private partnerships with community support for certain projects to infuse private equity into our transportation infrastructure.

■ **Ensure the use of objective criteria, including promotion of economic development, as a means of targeting transportation construction projects.**

Louisiana has the potential to be a critical transportation conduit for the country and the world, but only if we take smart steps to take advantage of our geographic strength by improving our port facilities and completing projects like I-49 that can seamlessly link us to the rest of the nation. We have one of the largest port systems in the country. With our geographic position on the rivers and the Gulf Coast, and our concentration of railroads and highways, we are perfectly positioned to benefit from rapidly growing international trade. Other states are investing in their ports, such as Houston and Mobile, and are threatening our ability to be a leader in international trade. We must position ourselves as the pathway to Latin and Central America. We must increase direct flights, even if this requires financial incentives, to cities with a direct link to our targeted economic development efforts. Louisiana must commit to being in the best position to attract manufacturing facilities, create high-paying jobs, and add value to the goods and services that are moving through our state. We decaffeinate imported coffee and will soon make renewable energy from grains moving through our ports. We should also provide incentives for more Louisiana-based companies to add value to steel, rubber, and other goods as well. As Governor, I will emphasize the importance of setting transportation priorities and then following through to ensure that public monies are well spent, resulting in the greatest benefit for the largest number of people in the state.

BETTER MARKET OUR STATE

■ **Put in place a Governor’s SWAT team, dedicated to matching our strengths with proposed projects.**

This SWAT team will harness industry and educators, with state and local officials, to target projects that best match local priorities and needs. I will appoint to this team the most qualified individuals available that are dedicated to connecting the assets and workers throughout the state with businesses considering locating in Louisiana or struggling to remain in business here. Any efforts at the state level must match local needs, strengths, and priorities. Only with an organized and aggressive team that is focused on the variables each community provides will it be possible for Louisiana to improve our economic environment and achieve the development success we are capable of and deserve.

■ **Make it easy for business to relocate in Louisiana by certifying regional “megasites” around the state.**

One of the best ways state government can help local areas compete for

economic projects is to help establish and certify a “megasite” in each major region of the state. These sites are prescreened and certified so that large employers looking to relocate to our state will know which locations meet their needs and exactly what steps remain to complete the permit and compliance process. In many cases, a company’s decision to expand or relocate into a certain state follows the path of least resistance. By ensuring we identify, pre-certify and promote “megasites” in each region, we can help our communities compete on a level playing field with other regions around the country when it comes to attracting high-wage jobs.

■ **The Governor should be Louisiana’s top salesperson and partner with local efforts to recruit business investment.**

It is the responsibility of the Governor to be the state’s top salesperson, both within our borders and outside of them. I will take an aggressive approach to promotion of the state with CEOs, marketers and governmental leaders around the country. Such an aggressive stance must go beyond simply traveling to the corporate headquarters of businesses that express interest in the state. The Governor should also take advantage of the thousands of business executives and Fortune 500 CEOs that visit our state each year and cultivate those relationships that will one day lead to new jobs and facilities in Louisiana. As Governor, I will spread the message that Louisiana’s government and economic environment is changing for the better in substantive, measurable and desirable ways. This change will be felt not only by new companies looking to invest here, but also by the businesses already here today. The results will speak for themselves as job training programs better meet the needs of existing businesses, as the tax code becomes more conducive for doing business, as our ethics code becomes second to none, and as the state’s regulatory and bureaucratic practices are reformed to make Louisiana an attractive place to do business.

How do we create an economic environment that benefits us all?

- ✓ Louisiana needs better roads to improve our economy and quality of life.
- ✓ We must stop driving away small business, corporate investment and high-paying jobs to neighboring states by finally putting in place a tax system that is fair to our people and the companies that want to hire them.
- ✓ We have to invest in higher education with a focus on research efforts that partner with the private sector to meet the needs of our state.
- ✓ We need an honest, ethical government structured to attract investment in our state as compared to one that puts bureaucracy and cronyism first.
- ✓ We have to stop runaway state spending in its tracks.
- ✓ We must develop a qualified workforce by utilizing our community and technical college system to train our workers with the skills business and industry need to succeed.
- ✓ We must protect the jobs we currently have and improve our ability to compete with other states to attract more high-paying jobs.
- ✓ We must better utilize our world-class port system and its connection to a concentration of waterways, railroads and roadways that should allow us to be the U.S. leader in international trade.

Paid for by Friends of Bobby Jindal.



FOR MORE INFORMATION:

www.bobbyjindal.com
info@bobbyjindal.com