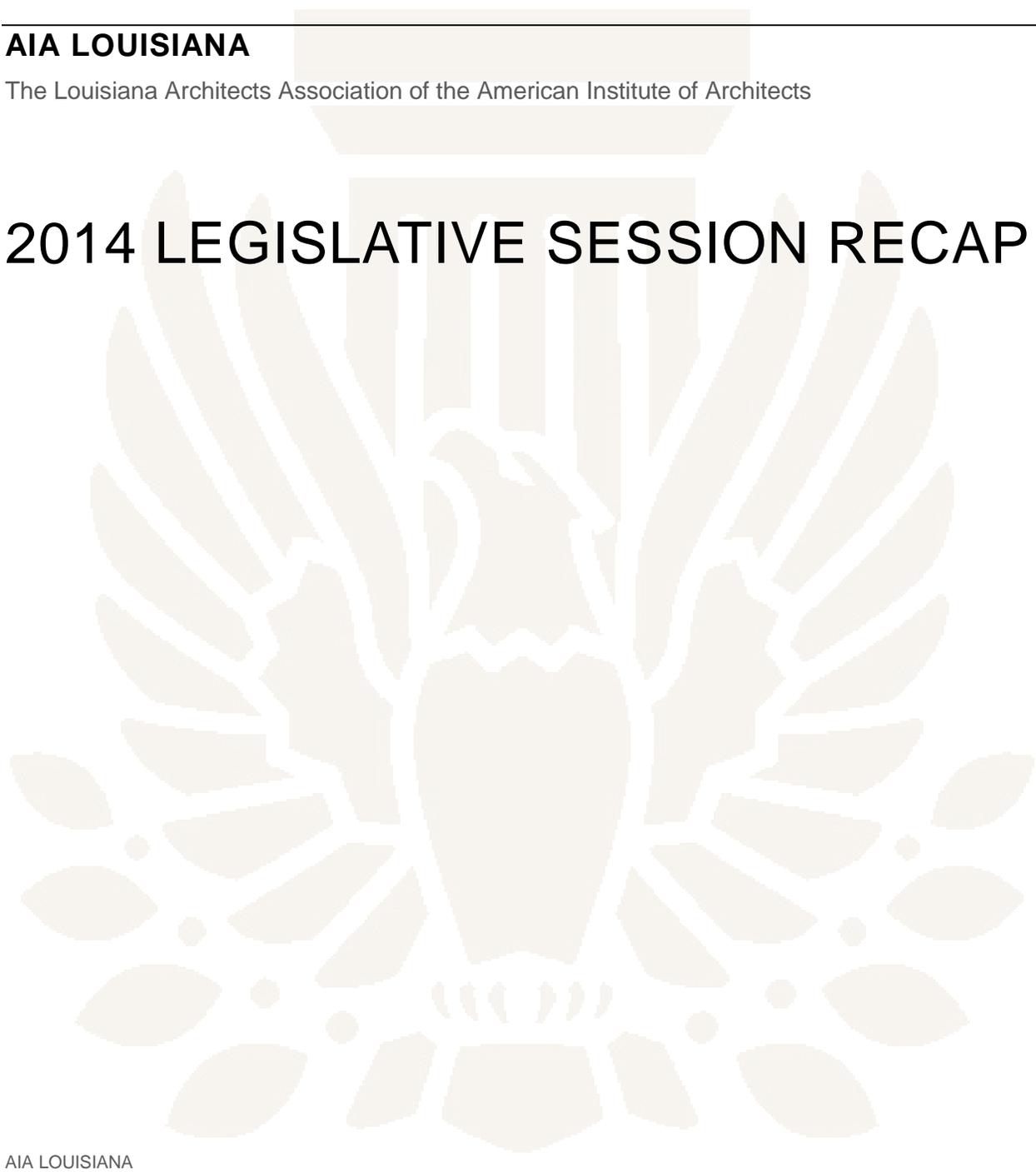

AIA LOUISIANA

The Louisiana Architects Association of the American Institute of Architects

2014 LEGISLATIVE SESSION RECAP



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The 2014 Regular Session of the Louisiana Legislature adjourned sine die on June 2nd. This year's session was considered general in nature (as opposed to fiscal sessions, which occur in odd-numbered years); that means legislators could file as many general bills as they wanted as long as the measures weren't designed to increase or decrease state tax revenue nor impact tax credits, deductions, exclusions, etc.

Legislators filed some 1,969 bills plus hundreds of resolutions; by midway point in session AIA-LA was tracking 101 pieces of legislation. A total of 887 bills made it through the legislative process and were sent to Gov. Bobby Jindal for his action. After all was said and done, the governor signed 875 of finally passed bills and vetoed 12. Five hundred fifty-one (551) new laws took effect on August 1, 2014.

Following is an overview of a few of the key bills AIA-LA was heavily involved with over the course of the session:

Plumbing Code

HB 1048 by Rep. Erich Ponti, R-Baton Rouge, was one of the hottest bills of the session. In its final form the bill requires the Louisiana State Uniform Construction Code Council (LSUCCC) to adopt the International Plumbing Code. AIA-LA, Louisiana Home Builders Association, Associated Builders and Contractors, Louisiana Association of Business and Industry, National Federation of Independent Business, and a few other groups heavily supported the bill against a host of opponents—mostly including members of various trade unions.

After a substantial amount of testimony and debate in the House and the Senate, including a brief period in which the bill was considered dead, **HB 1048** finally passed as both chambers agreed to adopt a compromise that was hammered out in a Conference Committee within the final 48 hours of session. The final version of the bill mostly reflected the original form its supporters proposed. One exception is that the effective start date was delayed until January 1, 2016. And, as an additional part of the compromise, a transition advisory council was established to make recommendations to LSUCCC. The eight-person advisory council serves from June 1, 2015 to December 31, 2015 and will make recommendations on transitioning from the old code to the new one. AIA-LA has appointed Steven Maher, AIA, Ritter-Maher Architects, as our representative on the board. At the first organizational meeting, Steve was elected chair of the council.

Public Bid Law

SB 468 by Sen. Robert Adley, R-Benton, was designed to provide more clarity to definitions of terms used in the public bid law. AIA-LA was heavily involved with a working group (which included AGC, ABC, ACEC and a few others) in the crafting and passage of this legislation. Although there were a few bumps along the way during session, the bill ultimately made it through the process in a posture agreeable to AIA-LA and was signed into law as **ACT 759**. **AIA-LA will be hosting a series of seminars regarding the new law. Go to <http://aiala.com/public-bid-law/>.**

LEED

HB 1067 by Rep. Eddie Lambert, R-Gonzales, dealt with certain standards and codes relating to sustainable building standards for state buildings and state-funded facility projects. This bill was sponsored by the Louisiana Chemical Association and was essentially intended to severely disrupt the option to state government to use LEED criteria in favor of products that do not meet LEED standards. The bill was met with heavy opposition from AIA-LA and a host of other trade groups and businesses. The bill's author **voluntarily deferred** the measure in the House Commerce Committee as a result of mounting pressure to defeat the bill (i.e., AIA-LA and its allies did great work in shoring up enough votes to keep this bill at bay).

Change Orders on Capital Outlay Appropriations

SB 320 by Sen. Jack Donahue, R-Mandeville, provides that **prior approval** of the Joint Legislative Budget Committee is required for one or more change orders that can cause an excess in the aggregate of \$100,000 per month for a project pursuant to a capital outlay appropriation. AIA-LA opposed this bill which was signed into law as **Act 748**.

Ten Percent Reduction in State Contracts

HB 142 by Rep. Jerome Richard, I-Thibodaux, was designed to provide for a **10 percent reduction of all state professional, personal, and consulting service contracts** and provide for deposit of the savings into the Higher Education Financing Fund. This bill is filed every year ostensibly to create savings and to patch budget gaps; it made its way through the entire legislative process this year, which is further than it has ever been in previous years. AIA-LA was in opposition to this bill along with many other groups. Gov. Jindal ultimately vetoed the bill, saying it “unduly requires reductions in some agencies which provide some of our most critical services.”

Joint Budget Approval for Certain Contracts

HB 437 by Rep. Jim Fannin, R-Jonesboro (co-authored by Sen. Jack Donahue, R-Mandeville), required prior approval of the Joint Legislative Committee on the Budget for requests for **proposals and contracts over \$100 million**. AIA-LA was opposed to the legislation. The bill made it through the process before being **vetoed** by Gov. Jindal, who reasoned that it “adds an additional layer of bureaucracy to the contracting process, which could delay the contracting process and introduce uncertainty.”

OTHER MAJOR ISSUES OF SESSION:

Tort Reform

One of the major themes supported by business and industry heading into session this year was improving the litigious nature of our state. As session hurtled along, legislators hotly debated big-ticket tort reform items including legacy lawsuits, contingency fee contracts for the attorney general, and lowering the jury trial threshold:

- Legacy lawsuits: **SB 667** by Sen. Robert Adley, R-Benton, was one of the hottest issues in the session—for the most part pitting business against trial lawyers. Debate on the bill lasted hours at every stop along the way through the legislative process. It appeared dead more than once only to be resuscitated and regain its original strength. The bill was touted as a compromise between many parties—including landowners and energy companies—and was designed to require the cleanup of land while also helping to prevent frivolous claims. In sum, the legislation accomplishes four things: 1) Creates a presumption in favor of the Department of Natural Resources cleanup plan; 2) Clarifies the types of damage awards and the standard for recovering those damages; 3) Allows attorney's fees to be awarded to a defendant who is dismissed in preliminary hearings; 4) Defines contamination. The governor has signed **SB 667** into law as **ACT 400**.
- Attorney General contingency fee contracts: **HB 799** by Rep. Stuart Bishop, R-Lafayette, prohibits the attorney general, state agencies and boards and commissions from entering into contingency fee contracts without express statutory authority, or approval of the Joint Budget Committee in the interim. This bill was a major fight between business and trial lawyers. The legislation requires outside counsel to keep accurate time and expense records, and limits hourly rates to a maximum of \$500 or the maximum rate allowed by the Attorney Fee Review Board, whichever is greater. In addition, **HB 799** requires governmental entities to show a real necessity for hiring outside counsel and to make a full statement of compensation prior to contract approval. It also requires outside counsel to be approved by the governor and attorney general for state related work. Gov. Jindal signed the bill into law as **ACT 796**.
- Jury trial threshold: **HB 917** by Rep. Ray Garofalo, R-Chalmette, was designed to cut down on lawsuits across the state. If passed, it would have lowered the jury trial threshold; specifically, it removed the prohibition against a jury trial being available if an individual petitioner's cause of action does not exceed \$50,000. Despite heavy support from large and small business interests, the highly controversial bill failed to make it out of the House due to opposition from judges who claimed its passage would cripple courtrooms with an insurmountable workload and trial lawyers who like to file lawsuits.

For complete texts of bills, go to www.legis.state.la.us.

FALL ELECTIONS

Two of Louisiana's favorite contact sports—football and politics—have officially kick-offed. Politics got off to a quick start when qualifying for fall elections closed at 4:30 p.m. on Friday, August 22, 2014. Primary elections will be held on November 4th with a runoff/general (where necessary) scheduled for December 6th. Following is a breakdown of who's in for this fall's federal contests:

U.S. Senate

Incumbent Sen. Mary Landrieu, D-New Orleans, drew eight challengers in what is expected to be one of the most closely watched elections in the nation. Incumbent Cong. Bill Cassidy, R-Baton Rouge, is Sen. Landrieu's chief opponent; polls and pundits continue to show the race as a toss-up between Landrieu and Cassidy. Two other Republicans, including Tea Party candidate Rob Maness, one Libertarian, and four other Democrats are in the race.

Congressional

- **First District (Greater NOLA/Northshore/ Bayou Region)**

Incumbent Cong. Steve Scalise, R-Jefferson, drew three challengers from political unknowns. Cong. Scalise is expected to win reelection handily, particularly after being selected as House Majority Whip—a role that greatly strengthens Louisiana's position in federal issues.

- **Second District (New Orleans/north Baton Rouge)**

Incumbent Cong. Cedric Richmond, D-New Orleans, drew four challengers but is expected to easily win reelection.

- **Third District (Lafayette/Acadiana Region)**

Incumbent Cong. Charles Boustany, R-Lafayette, drew two challengers but is also expected to win reelection.

- **Fourth District (Shreveport/west Louisiana region)**

Incumbent Cong. John Fleming, R-Minden, drew two challengers but is expected to win reelection.

- **Fifth District (Monroe/Alexandria/Bogalusa)**

This is where the fun really begins. Incumbent Cong. Vance McAllister, R-Swartz, drew nine challengers including a late entry by former Congressman (now Public Service Commissioner) Clyde Holloway, R-Forest Hill. This is Commissioner Holloway's eleventh time to run for Congress. Other

significant players in the race include Mayor Jamie Mayo, D-Monroe, Duck Dynasty family member Zach Dasher, R-Calhoun, medical doctor Ralph Abraham, R-Mangham, and businessman Harris Brown, R-Monroe. Dasher, Abraham, and Brown are relatively unknown in politics but each has employed veteran political teams to help improve their chances. The outcome of this race is anyone's guess right now. Mayor Mayo, the lone Democrat in the race, could very well be in the runoff against any of the Republicans listed above. However, a Republican is expected to win the runoff.

- **Sixth District (Baton Rouge/Livingston/Ascension/WBR/Houma)**

This is where the fun really ends and things turn into total chaos. The race is wide open due to incumbent Cong. Bill Cassidy's vacating the seat to challenge Sen. Landrieu. A huge field of candidates (13 in all) qualified for this election, including several individuals with considerable political experience and/or name recognition. Among the major players in this race are: former governor Edwin Edwards, D-Baton Rouge, former Coastal Protection and Restoration Authority head Garret Graves, R-Baton Rouge, current state Sen. Dan Claitor, R-Baton Rouge, current state Rep. Lenar Whitney, R-Houma, and grandson of former LSU football coach of the same name Paul Dietzel, R-Baton Rouge. Many pollsters and prognosticators anticipate Edwin Edwards making it to the runoff against one of the Republicans listed above. However, the final victory is strongly expected to go to a Republican.