

Six Pillars for a Growing Capital Region Economy

BRAC's 2015 Gubernatorial Election Platform

If there is one word that captures the essence of this historical moment in Louisiana and provides the context for what's at stake for the Baton Rouge area in the upcoming election for Louisiana governor, it is this: Jobs.

At the start of September, [the news](#) out of the Louisiana Workforce Commission spoke volumes: Louisiana added 13,400 nonfarm jobs over the twelve months ending July 31, bringing the statewide total to 1,978,800, a "record for the month of July" in the state's history. What's more, the 6,600 jobs added in the Baton Rouge Area over that time period represented 49 percent – or almost half – of the job growth for the entire state. And as impressive as our recent economic performance has been, its future shows strong promise as well, as evidenced by a [2014 report](#) that ranked Baton Rouge the number-two city in the nation for "economic growth potential."

So while the Baton Rouge Area maintains a strong foundation for future expansion, potential barriers – particularly the transportation infrastructure crisis – could jeopardize that momentum. Strong leadership from Louisiana's next governor, pursuing smart, job-producing policies, can make a major difference between the Capital Region's economy slowing down and sliding backward, or fulfilling its potential and reaching even greater heights.

Informed by surveys and direct input from BRAC's business leader investors and regional economic partners, BRAC has produced the following election platform, consisting of six public policy pillars that it urges the gubernatorial candidates to embrace and enact if elected.

ONE: Secure funding to solve the Capital Region's transportation crisis, sufficient to provide a comprehensive transportation infrastructure solution to the "Baton Rouge Bottleneck"

As one of its founding partners, BRAC joined in the release of the [CRISIS election platform](#), which consisted of five priorities and called on candidates to offer serious and specific solutions to the region's transportation crisis. To direct increased funding sufficient to address the region's maintenance backlog and major new capacity projects, BRAC also urges candidates to:

- Maximize Transportation Trust Fund (TTF) dollars for infrastructure construction and repair
- Develop a new funding program to tackle economic corridor "megaprojects"
- Re-establish, phase-in the "trigger" to direct vehicle sales tax revenue to the TTF
- Increase use of Public Private Partnerships and tolls for major new capacity projects
- Support funding for Super Regional passenger rail between Baton Rouge and New Orleans
- Authorize local-option elections to increase revenue for infrastructure
- Increase prioritization of transportation in the Capital Outlay budget
- Increase the gasoline tax, index for inflation, or swap to sales tax

TWO: Maintain and elevate state economic growth as a priority, and enact fiscal reform to advance Louisiana's national competitiveness

Tens of billions of dollars' worth of major industrial construction and expansion projects have been announced or are already underway, bringing with them thousands of new jobs in the Capital Region. Strong economic development strategies have played a key role in bringing them about, and must be continued. Those efforts can also be enhanced through righting state government's fiscal ship to improve funding prioritization and business competitiveness.

- Maintain aggressive state economic development program at Louisiana Economic Development (LED) – continued rapid growth of the economy is key to improved quality of life across multiple metrics
- Pursue fiscal reforms that increase budgetary flexibility, as outlined in a recent BRAC [public policy commentary](#) on the state's "expenditure straightjacket"

- Pursue pro-growth tax reform, redesigning but protecting economic incentives, and reviewing each tax expenditure for importance, priority, and performance

THREE: Commit to making LSU a premier research university at a national level; provide stable, sustainable funding for it, Southern Univ., and Capital Region community colleges

After \$700 million in reductions of state support for higher education over the past few years, a main goal of fiscal reform should be to reaffirm the state's commitment to and investment in our greatest assets for innovation and learning.

- Fund LSU, the Pennington Biomedical Research Center, and area higher education institutions at competitive levels
- Provide tuition autonomy to the university systems
- Increase standards for TOPS and expand TOPS Tech utilization, and pursue reforms that put program on sustainable funding path

FOUR: Increase supply of educated, trained workers to meet increased workforce demand

A BRAC [analysis of efforts to meet Capital Area workforce demands](#) shows that training providers are making progress expanding options for area citizens to take advantage of growing job opportunities. For the state, that starts with education at the earliest level and continues with targeted strategies for job-ready credentials and partnerships with higher education.

- Protect high PreK-12 education standards and preserve Common Core
- Expand school choice through vouchers and charter schools
- Prioritize STEM training and career pathways, and scale up Jump Start
- Maintain the FastStart training program, and increase local customized training for existing businesses through the Louisiana Community and Technical College System (LCTCS)
- Prioritize non-credit courses through funding and financial aid
- Promote skilled jobs, expand apprenticeship model for career education

FIVE: Prioritize and incentivize innovation and the knowledge economy

As BRAC outlined in a [report on capital area innovation and entrepreneurship](#), the region has made great strides in expanding the knowledge-based economy through research and high-tech innovation, efforts that can be accelerated by leadership at the state level.

- Appoint a Director of Louisiana Innovation to coordinate across state agencies, and refocus existing university resources to applied research
- Reinstate the Research & Development tax credit
- Elevate the state's programs that support entrepreneurship
- Encourage further structural changes in higher education to expedite and increase technology transfer and research commercialization

SIX: Protect access of health care for Louisiana's workforce, including fully funding public-private hospital partnerships and expanding access to Medicaid

State healthcare reforms have been positive but face funding uncertainty this fiscal year and for the future. The strongest path to financial stability would come from expanded coverage self-funded by hospitals. Along with the need to stabilize the area's healthcare delivery market following the closure of the ER in Mid-City, access to affordable healthcare is also a major economic issue. By bringing billions of dollars of federal investment to the state, expanding Medicaid eligibility will bring thousands of jobs and provide coverage for thousands of workers in the Capital Region.

- Pursue a Louisiana model to expand coverage eligibility in compliance with Affordable Care Act guidelines, pursuant to the implementation of a state hospital stabilization fund and self-assessed hospital fee to cover the state's share of expansion costs, which will stabilize the healthcare market and provide savings to state government to fund other priorities.

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