

Congress of the United States

House of Representatives Washington, DC 20515

April 21, 2020

Governor John Bel Edwards Office of the Governor PO Box 94004 Baton Rouge, LA 70804

Governor Edwards,

I am writing to you again on the subject of needed actions by the State of Louisiana to protect the oil and gas industry within its borders and the over 260,000 jobs it supports across the state. America's energy industry is facing a generational crisis. International markets and oil values have been heavily impacted as a result of the Saudi-Russia oil dumping war, and COVID-19 restrictions of freedom to travel have caused extreme reductions in consumption.

Since 2010 our state lost more than 20,000 high wage jobs and since has struggled to compete with producers in neighboring states due to antiquated regulations, including Louisiana's severance tax. The federal government has been attempting to incentivize employers across all industries to keep employees on the payroll and to keep critical infrastructure operational. Having the energy industry up and running during this crisis is a critical endeavor for the entire nation.

As market disruptions threaten oil and gas jobs across the nation, Louisiana is at heightened risk, with small and mid-sized producers among the most vulnerable. We must take action, state and federal, to protect Louisiana's oil and gas industry and the scores of thousands of jobs that it supports. If we act now, we can mitigate injury to our workforce and U.S. production capacity. If we do nothing, Louisiana could face massive job losses and the permanent departure of our cornerstone industry along with thousands of Louisiana families who will be forced to move to neighboring states.

I am again respectfully, urgently asking for your consideration of a temporary adjustment or pause to Louisiana's severance tax on the oil and gas industry. By doing this, you will be helping industry in our state stay viable during this period of low demand that has resulted from COVID-19.

Thank you for your continued efforts on behalf of all Louisiana citizens. I hope that you will give this request your full consideration.

Sincerely,

Clay Higgins

United States Congressman