

## **House Committee on Ways and Means**

Minutes of Meeting  
2016 Second Extraordinary Session  
June 9, 2016

### **I. CALL TO ORDER**

Representative Neil C. Abramson, Chairman of the House Committee on Ways and Means, called the meeting to order at 9:29 a.m. in Room 6, in the State Capitol in Baton Rouge, Louisiana. The secretary called the roll.

### **II. ROLL CALL**

#### **MEMBERS PRESENT:**

Representative Neil C. Abramson, Chairman  
Representative Joseph Bouie, Jr.  
Representative Chris Broadwater  
Representative Paula P. Davis  
Representative Phillip R. DeVillier  
Representative Stephen C. Dwight  
Representative Jimmy Harris  
Representative Stephanie Hilferty  
Representative Dodie Horton  
Representative Marcus L. Hunter  
Representative Mike Huval  
Representative Barry Ivey  
Representative Edward C. "Ted" James, II  
Representative Robert A. Johnson  
Representative John C. "Jay" Morris, III  
Representative James H. "Jim" Morris  
Representative Julie Stokes  
Representative Major Thibaut  
Representative Thomas P. Willmott

#### **MEMBERS ABSENT:**

None

**STAFF MEMBERS PRESENT:**

Ms. Alison Pryor, Deputy Director  
Ms. Elise C. Read, Legislative Analyst  
Ms. Penny B. Bouquet, Administrative Secretary  
Ms. Gay Owens, Secretary

**ADDITIONAL ATTENDEES PRESENT:**

Ms. Beverly Hurst, Sergeant at Arms  
Ms. Janet Anthony, Sergeant at Arms  
Ms. Myrtis Jarrell, Sergeant at Arms  
Mr. M.J. Hernandez, Clerk  
Ms. Patricia Harris, Clerk

**III. DISCUSSION OF LEGISLATION****House Bill No. 59 by Representative Connick**

Representative Connick presented House Bill No. 59, which provided for the comprehensive Capital Outlay budget.

Representative Abramson gave the committee an update on House Bill No. 2 of the 2016 Second Extraordinary Session, the Capital Outlay budget.

There was no further discussion on the bill.

Representative Abramson offered a motion to voluntarily defer action on House Bill No. 59. Without objection, action on House Bill No. 59 was voluntarily deferred by a vote of 15 yeas and 0 nays. Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Hilferty, Horton, Huval, Ivey, Johnson, Jay Morris, Jim Morris, Stokes, and Thibaut voted yea.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 59 is available upon request.

**House Bill No. 5 by Representative Leger**

Representative Leger presented House Bill No. 5, which provided with respect to the applicability and effectiveness of Act Nos. 30 and 31 of the 2016 First Extraordinary Session of the Legislature which eliminated the deductibility of federal income taxes paid for purposes of computing corporate income taxes.

There was no further discussion on the bill.

Representative Stokes offered a motion to report House Bill No. 5 favorably, to which Representative Ivey objected. The motion was withdrawn before a vote was taken.

Representative Ivey offered a motion to involuntarily defer House Bill No. 5, to which Representative Broadwater objected. The motion failed to pass by a vote of 8 yeas and 9 nays. Representatives Davis, DeVillier, Dwight, Horton, Huval, Ivey, Jay Morris, and Jim Morris voted yea. Representatives Bouie, Broadwater, Jimmy Harris, Hilferty, Hunter, James, Johnson, Stokes, and Thibaut voted nay.

Representative Bouie offered a motion to report House Bill No. 5 favorably, to which Representative Ivey objected. House Bill No. 5 was reported favorably by a vote of 15 yeas, 2 nays, and 1 abstention. Representatives Bouie, Broadwater, Davis, DeVillier, Dwight, Jimmy Harris, Hilferty, Horton, Hunter, Huval, James, Johnson, Jim Morris, Stokes, and Thibaut voted yea. Representatives Ivey and Jay Morris voted nay. Representative Abramson abstained.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 5 is available upon request.

#### **House Bill No. 6 by Representative Leger**

Representative Leger presented House Bill No. 6, which provided with respect to the applicability and effectiveness of Act No. 8 from the 2016 First Extraordinary Session of the Legislature which established a flat rate for purposes of calculating corporation income tax liability.

There was no further discussion on the bill.

Representative Jim Morris offered a motion to report House Bill No. 6 favorably. Without objection, House Bill No. 6 was reported favorably by a vote of 18 yeas and 0 nays. Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Jimmy Harris, Hilferty, Horton, Hunter, Huval, Ivey, James, Johnson, Jay Morris, Jim Morris, Stokes, and Thibaut voted yea.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 6 is available upon request.

#### **House Bill No. 61 by Representative Leger**

Representative Leger presented House Bill No. 61, which provided relative to the earned income tax credit.

There was no further discussion on the bill.

Representative Abramson offered a motion to voluntarily defer action on House Bill No. 61. Without objection, action on House Bill No. 61 was voluntarily deferred by a vote of 18 yeas and 0 nays. Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Jimmy Harris,

Hilferty, Horton, Hunter, Huval, Ivey, James, Johnson, Jay Morris, Jim Morris, Stokes, and Thibaut voted yea.

### **House Bill No. 19 by Representative Montoucet**

Secretary Kimberly L. Robinson, Department of Revenue (DOR), 617 North Third Street, Baton Rouge, LA 70802, (855) 307-3893, presented House Bill No. 19 for Representative Montoucet, which reduced the amount of certain ad valorem tax credits and provides for the carry forward rather than the refund of a certain portion of excess credit amounts.

There was no further discussion on the bill.

Representative James offered a motion to voluntarily defer action on House Bill No. 19. Without objection, action on House Bill No. 19 was voluntarily deferred by a vote of 16 yeas and 0 nays. Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Jimmy Harris, Hilferty, Horton, Huval, Ivey, James, Johnson, Jay Morris, Jim Morris, and Thibaut voted yea.

Present to speak in opposition were Mr. Robert C. Israel, and Mr. Will H. Green, Louisiana Automobile Dealers Association (LADA), 7526 Picardy Avenue, Baton Rouge, LA 70808, (225) 769-5500; Mr. Stephen Waguespack, Louisiana Association of Business and Industry (LABI), 3113 Valley Creek Drive, Baton Rouge, LA 70808, (225) 928-5388; and Mr. Chris John, Louisiana Mid-Continent Oil and Gas Association (LMOGA), 730 North Boulevard, Baton Rouge, LA 70802, (225) 387-3205.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 19 is available upon request.

### **House Bill No. 50 by Representative Montoucet**

Secretary Robinson presented House Bill No. 50 for Representative Montoucet, which reduced the individual income tax deduction for net capital gains.

Representative Broadwater offered amendments to require a business to be domiciled in the state for at least five years to be eligible to claim the deduction from net capital gains and to create a tiered deduction based on the number of years the business has been domiciled in the state. He also offered a motion to adopt the amendments. Without objection, the amendments were adopted by a vote of 13 yeas and 0 nays. Representatives Abramson, Broadwater, Davis, DeVillier, Dwight, Horton, Hunter, Huval, Ivey, Johnson, Jay Morris, Jim Morris, and Stokes voted yea.

There was no further discussion on the bill.

Representative Jim Morris offered a motion to report House Bill No. 50 with amendments. Without objection, House Bill No. 50 was reported with amendments by a vote of 14 yeas and 0 nays.

Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Horton, Hunter, Huval, Ivey, Johnson, Jay Morris, Jim Morris, and Stokes voted yea.

Present to speak in support were Representative Malinda White, District 75, 1411 Shady Pine Drive, Bogalusa, LA 70427, (985) 294-3895, and Mr. Dino Paternostro, LegisLink, 1355 Cherokee Avenue, Metairie, LA, (504) 756-7904.

Present to provide information was Mr. Greg Albrecht, Chief Economist for the Legislative Fiscal Office (LFO), 900 North Third Street, Baton Rouge, LA 70802, (225) 342-7233.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 50 is available upon request.

#### **House Bill No. 21 by Representative Reynolds**

Secretary Robinson presented House Bill No. 21 for Representative Reynolds, which reduced the rates for purposes of calculating the tax on the taxable income of individuals.

There was no further discussion on the bill.

Representative Abramson offered a motion to voluntarily defer action on House Bill No. 21. Without objection, action on House Bill No. 21 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Horton, Hunter, Huval, Ivey, Johnson, Jay Morris, Jim Morris, and Stokes voted yea.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 21 is available upon request.

#### **House Bill No. 40 by Representative Reynolds**

Secretary Robinson presented House Bill No. 40 for Representative Reynolds, which changed the middle and upper income tax brackets for purposes of calculating the individual income tax.

There was no further discussion on the bill.

Representative Abramson offered a motion to voluntarily defer action on House Bill No. 40. Without objection, action on House Bill No. 40 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Horton, Hunter, Huval, Ivey, Johnson, Jay Morris, Jim Morris, and Stokes voted yea.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 40 is available upon request.

**House Bill No. 64 by Representative Broadwater**

Representative Broadwater presented House Bill No. 64, which repealed the corporate income tax and franchise taxes and prohibits certain corporate taxpayers from claiming certain refundable tax credits.

There was no further discussion on the bill.

Representative Abramson offered a motion to voluntarily defer action on House Bill No. 64. Without objection, action on House Bill No. 64 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Horton, Hunter, Huval, Ivey, Johnson, Jay Morris, Jim Morris, and Stokes voted yea.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 64 is available upon request.

**House Bill No. 63 by Representative Jones**

Representative Jones presented House Bill No. 63, which provided for the comprehensive Capital Outlay budget.

There was no further discussion on the bill.

Representative DeVillier offered a motion to involuntarily defer House Bill No. 63, to which Representative Thibaut objected. The motion was withdrawn before a vote was taken.

Representative Thibaut offered a motion to voluntarily defer action on House Bill No. 63. Without objection, action on House Bill No. 63 was voluntarily deferred by a vote of 17 yeas and 0 nays. Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Jimmy Harris, Hilferty, Horton, Hunter, Huval, Johnson, Jay Morris, Jim Morris, Stokes, Thibaut, and Willmott voted yea.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 63 is available upon request.

**House Bill No. 31 by Representative Jackson**

Representative Jackson presented House Bill No. 31, which reduced the amount of certain income and corporation franchise tax credits.

There was no further discussion on the bill.

Representative Abramson offered a motion to voluntarily defer action on House Bill No. 31. Without objection, action on House Bill No. 31 was voluntarily deferred by a vote of 19 yeas and 0 nays.

Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Jimmy Harris, Hilferty, Horton, Hunter, Huval, Ivey, James, Johnson, Jay Morris, Jim Morris, Stokes, Thibaut, and Willmott voted yea.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 31 is available upon request.

#### **House Bill No. 34 by Representative Jackson**

Representative Jackson presented House Bill No. 34, which reduced the amount of certain corporate income tax exclusions and deductions.

There was no further discussion on the bill.

Representative Abramson offered a motion to voluntarily defer action on House Bill No. 34. Without objection, action on House Bill No. 34 was voluntarily deferred by a vote of 19 yeas and 0 nays. Representatives Abramson, Bouie, Broadwater, Davis, DeVillier, Dwight, Jimmy Harris, Hilferty, Horton, Hunter, Huval, Ivey, James, Johnson, Jay Morris, Jim Morris, Stokes, Thibaut, and Willmott voted yea.

A copy of the witness cards for all individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 34 is available upon request.

#### **IV. OTHER BUSINESS**

There was no other business.

#### **V. ANNOUNCEMENTS**

There were no announcements.

#### **VI. ADJOURNMENT**

The meeting was adjourned at 11:32 a.m.

Respectfully submitted,

Chairman Neil C. Abramson  
House Committee on Ways and Means