

House Committee on Appropriations

Minutes of Meeting
2017 First Extraordinary Session
February 15, 2017

I. CALL TO ORDER

Representative Cameron Henry, Chairman of the House Committee on Appropriations, called the meeting to order at 2:11 p.m. in Room 5, in the state capitol in Baton Rouge, Louisiana. The secretary called the roll.

II. ROLL CALL

MEMBERS PRESENT:

Representative Cameron Henry, Chairman
Representative Mark Abraham
Representative Beryl A. Amedée
Representative James K. Armes, III
Representative Tony Bacala
Representative Lawrence A. "Larry" Bagley
Representative John A. Berthelot
Representative Robert E. Billiot
Representative Gary M. Carter, Jr.
Representative Charles R. Chaney
Representative Rick Edmonds
Representative Franklin J. Foil
Representative Lance Harris
Representative Bob Hensgens
Representative Valarie Hodges
Representative Walt Leger, III
Representative Jack G. McFarland
Representative Blake Miguez
Representative Dustin Miller
Representative Steve E. Pylant
Representative Jerome Richard
Representative John M. Schroder, Sr.
Representative Patricia Haynes Smith
Representative Jerome "Zee" Zeringue

MEMBERS ABSENT:

Representative Scott M. Simon

STAFF MEMBERS PRESENT:

Katie Andress, Secretary
Peter G. E. Conroy, Legislative Analyst
Nancy Keaton, Legislative Analyst

ADDITIONAL ATTENDEES PRESENT:

Representative Katrina Jackson

III. DISCUSSION OF LEGISLATION**House Bill No. 3 by Representative Henry**

Representative Henry presented House Bill No. 3, which created supplemental appropriations and reductions in appropriations for FY16-17.

Commissioner Jay Dardenne, Division of Administration, 1201 North Third Street, Suite 7-210, Baton Rouge, LA 70802, (225) 342-7000, presented the Governor's recommendations to address the FY16-17 mid-year deficit in the State General Fund.

Mr. Barry Dussé, Director of the Office of Planning and Budget, 1201 North Third Street, Suite 7-150, (225) 342-7005, discussed the impact of budget reductions to the Medicaid Program with Representative Henry.

Mr. W. Jeff Reynolds, Undersecretary of the Louisiana Department of Health (LDH), 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-6726, presented an overview and discussed the department's plan for a potential reduction to the budget in FY16-17 with Representative Leger. (See Exhibit A)

Ms. Michelle Alletto, Deputy Secretary of LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-6726, discussed the impact of mid-year budget reductions to services provided by the department's human services districts with Representative Leger.

Mr. Reynolds discussed the net increase to the hospital public-private partnerships with Representative Henry, and discussed the capitation rates for the public-private partnerships with Representative Harris.

Commissioner Dardenne discussed potential reductions to Higher Education and the effects of reductions to the Judiciary budget with Representative Jackson.

Commissioner Dardenne discussed potential funding sources for graduate medical education with Representative Smith.

Commissioner Dardenne and Mr. Dussé discussed the impact of the 2016 floods to the FY16-17 budget with Representatives Henry and Billiot.

Mr. Reynolds discussed using more intergovernmental transfers from local governmental entities to fund the Medicaid Program with Representative Hensgens.

Mr. Reynolds discussed the overall net reductions to LDH with Representatives Abraham and Bacala.

Mr. Reynolds and Commissioner Dardenne discussed the impact of budget reductions to rural hospitals and the Rural Hospital Preservation Act with Representatives Bagley and Miller.

Commissioner Dardenne discussed structural changes and long-term solutions to solve the state's budget shortfall, with Representative Schroder. He also discussed the governor's response to the committee's FY16-17 budget proposal with Representative Henry.

Mr. Reynolds discussed the Low Income and Needy Care Collaboration Agreements (LINCCA) Program with Representative Bacala.

Commissioner Dardenne discussed the state's contract to lease space in Benson Tower with Representative Bacala.

Representative Armes addressed the committee regarding the use of monies from the Budget Stabilization Fund to balance the FY16-17 budget.

Commissioner Dardenne discussed the process of renegotiating the hospital public-private partnership cooperative endeavor agreements with Representative Henry.

Representative Henry presented a set of amendments to use a portion of the Budget Stabilization Fund to balance the FY16-17 budget. He also discussed the impact of the amendments to state agencies with Representatives Carter, Leger, Miller, and Smith.

Representative Henry discussed the special session process, and reductions to the legislative and judiciary budgets with Representative Harris.

Representative Bacala offered a motion to adopt the amendments, to which Representative Smith objected. The amendments were adopted by a vote of 16 yeas and 6 nays. Representatives Henry, Abraham, Amedée, Bacala, Bagley, Berthelot, Chaney, Edmonds, Foil, Harris, Hensgens, McFarland, Miguez, Pylant, Richard, and Zeringue voted yea. Representatives Armes, Billiot, Carter, Leger, Miller, and Smith voted nay.

Representative McFarland offered an amendment to ensure payments for waiver services and applied behavioral analysis rates will be paid out of the Medicaid budget.

Representative Bacala offered a motion to adopt the amendment. Without objection, the amendment was adopted by a vote of 22 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Bagley, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Harris, Hensgens, Leger, McFarland, Miguez, Miller, Pylant, Richard, Smith, and Zeringue voted yea.

There was no further discussion on the bill.

Representative Bacala offered a motion to report House Bill No. 3 with amendments, to which Representative Leger objected. House Bill No. 3 was reported with amendments by a vote of 19 yeas and 4 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Bagley, Berthelot, Billiot, Chaney, Edmonds, Foil, Harris, Hensgens, McFarland, Miguez, Pylant, Richard, Schroder, and Zeringue voted yea. Representatives Carter, Leger, Miller, and Smith voted nay.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 3 is available upon request.

House Bill No. 8 by Representative Edmonds

Representatives Edmonds presented House Bill No. 8, which created supplemental appropriations and reductions in appropriations for FY16-17.

Representatives Bacala and Edmonds discussed the impact of a 5% budget reduction to certain state agencies with Representative Leger.

Representative Edmonds discussed, with Representative Carter, the impact of a budget reduction to the Crescent City Transition Fund and the impact of a budget reduction to the New Orleans Ferry Fund would have on ferry operations in the New Orleans area.

Representatives Bacala and Edmonds discussed the general purpose of the bill with Representative Amedée, and gave her a list of the departments that would not receive additional reductions in House Bill No. 8.

Representatives Bacala and Edmonds discussed using funds from the Attorney General's escrow account and reductions to local hospitals with Representative Miller.

Representative Bacala discussed the effects of reducing local sales tax revenues with Representatives Billiot and Smith.

Representative Pylant offered a set of technical amendments to *remove Amendment No. 28 through 33* and to *change Page 2 to Page 3 on Amendment No. 25*. He also offered a motion to adopt the amendments, to which Representative Leger objected. The amendments were adopted by a vote of 17 yeas and 7 nays. Representatives Henry, Abraham, Amedée, Bacala, Bagley, Berthelot, Edmonds, Foil, Harris, Hensgens, Hodges, McFarland, Miguez, Pylant, Richard, Schroder, and Zeringue voted yea. Representatives Armes, Billiot, Carter, Chaney, Leger, Miller, and Smith voted nay.

Representative McFarland offered an amendment to ensure payments for waiver services and applied behavioral analysis rates will be paid out of the Medicaid budget, and also offered a motion to adopt the amendment. Without objection, the amendments were adopted by a vote of 24 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Bagley, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Harris, Hensgens, Hodges, Leger, McFarland, Miguez, Miller, Pylant, Richard, Schroder, Smith, and Zeringue voted yea.

Representative Smith questioned why Representative Leger's bill, House Bill No. 1 of the 2017 First Extraordinary Session, was not scheduled.

Commissioner Dardenne addressed the committee regarding his concerns about the methodology used in House Bill No. 8.

There was no further discussion on the bill.

Representative Pylant offered a motion to report House Bill No. 8 with amendments, to which Representative Leger objected. House Bill No. 8 was reported with amendments by a vote of 17 yeas and 6 nays. Representatives Henry, Abraham, Amedée, Bacala, Bagley, Berthelot, Edmonds, Foil, Harris, Hensgens, Hodges, McFarland, Miguez, Pylant, Richard, Schroder, and Zeringue voted yea. Representatives Armes, Billiot, Carter, Chaney, Leger, and Miller voted nay.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 8 is available upon request.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Armes offered a motion to adjourn, to which there was no objection. The motion passed by a vote of 24 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Bagley, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Harris, Hensgens, Hodges, Leger, McFarland, Miguez, Miller, Pylant, Richard, Schroder, Smith, and Zeringue voted yea.

The meeting was adjourned at 6:03 p.m.

Respectfully submitted,

Chairman Cameron Henry
House Committee on Appropriations