

House Committee on Appropriations

Minutes of Meeting
2020 Regular Session
March 10, 2020

I. CALL TO ORDER

Representative Jerome "Zee" Zeringue, chairman of the House Committee on Appropriations, called the meeting to order at 9:19 a.m. in Room 5, in the state capitol in Baton Rouge, Louisiana. The committee administrative assistant called the roll.

II. ROLL CALL

MEMBERS PRESENT:

Representative Jerome "Zee" Zeringue, chairman
Representative Roy Daryl Adams
Representative Tony Bacala
Representative Barbara W. Carpenter
Representative R. Dewith Carrier
Representative Gary M. Carter, Jr., vice chairman
Representative Raymond J. Crews
Representative Daryl Andrew Deshotel
Representative Mary DuBuisson
Representative Rick Edmonds
Representative Aimee Adatto Freeman
Representative Lance Harris
Representative John R. Illg, Jr.
Representative Frederick Douglass Jones
Representative Timothy P. Kerner
Representative Rodney Lyons
Representative Tanner D. Magee
Representative C. Denise Marcelle
Representative Jack G. McFarland
Representative Blake Miguez
Representative Dustin Miller
Representative Troy D. Romero
Representative Francis C. Thompson
Representative William "Bill" Wheat, Jr.

MEMBERS ABSENT:

Representative Christopher Turner

STAFF MEMBERS PRESENT:

Katie Andress, committee administrative assistant

Stephanie Little, attorney

Amanda Trapp, legislative analyst

ADDITIONAL ATTENDEES PRESENT:

Faye Talbot , sergeant at arms

Vivian Hurst, sergeant at arms

III. DISCUSSION**House Bill No. 105 by Representative Zeringue**

The following agencies contained in House Bill No. 105 were presented and discussed:

Department of Veterans Affairs

Ms. Kemi Adio, budget analyst, House Fiscal Division (HFD), 900 North Third Street, Baton Rouge, LA 70802, (225) 342-2448, presented and discussed the FY 20-21 budget for the department.

Secretary Joey Strickland, Department of Veterans Affairs, 602 North Fifth Street, Baton Rouge, LA 70802, (225) 219-5000, discussed the FY 21 budget, future plans for the department, the projected number of veterans eligible to live in Louisiana's veterans homes, and the services the homes provide to veterans.

Secretary Strickland discussed funding for the state's veteran cemeteries and burial plots for homeless veterans with Representative Gary Cater.

Mr. Dustin Guy, deputy chief of staff, and Ms. Julie Baxter Payer, deputy secretary, Department of Veterans Affairs (DVA), 602 North Fifth Street, Baton Rouge, LA 70802, (225) 219-5000, and Secretary Strickland discussed the department's funded vacancies, excess budget authority, and the cost of operations for the state's veterans homes with Representative Crews.

Ms. Payer and Secretary Strickland discussed the department's excess budget authority, the cost of ancillary services provided by the Office of Technology Services (OTS), and home health services for veterans with Representatives Bacala and Deshotel.

Representative Romero took a moment to recognize the Southwest Louisiana Veterans home and to commend Secretary Strickland for his work.

Secretary Strickland discussed issues regarding those veterans who are not eligible to be buried in veteran cemeteries and potential uses for the vacant Camp NORA site in Covington with Representative DuBuisson.

Secretary Strickland discussed employee retention and employee salaries with Representative Marcelle.

Ms. Stephanie Smith, chief financial officer, DVA, 602 North Fifth Street, Baton Rouge, LA 70802, (225) 219-5018, and Ms. Payer discussed the department's excess budget authority and the rise in healthcare costs for veterans with Representative Marcelle.

Ms. Payer and Secretary Strickland discussed the department's priority to hire veterans and services provided to help veterans secure employment with Representative Deshotel.

Secretary Strickland discussed trends within the veteran population in Louisiana with Representative Wheat.

Department of Treasury

Mr. Chris Henry, budget analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-1394, presented and discussed the department's FY 20-21 budget.

Treasurer John Schroder, Department of Treasury, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-0010, introduced the department's staff to the committee, discussed the department's functions, and discussed the department's FY 21 budget. Treasurer Schroder also discussed the department's Unclaimed Property Fund with Representatives Zeringue and Edmonds.

Treasurer Schroder and Mr. John Broussard, chief investment officer, Department of Treasury, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-0013, discussed the effects of the decline in the stock market on the state's investments with Representatives Marcelle and Thompson.

Treasurer Schroder also discussed the agency's budget increases since the treasurer took office, historical trends on unclaimed property funds, and the department's need for additional staff with Representative Marcelle.

Treasurer Schroder and Ms. Laura Lapeze, chief financial officer, Department of Treasury, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-0051, discussed the department's excess budget authority and the functions of the Bond Security and Redemption Fund with Representative Bacala.

Treasurer Schroder discussed the claims process for unclaimed property funds with Representatives Deshotel and Illg.

Ms. Lela Folse, director, State Bond Commission, Department of Treasury, 900 North Third Street, Baton Rouge, LA 70802, (225) 219-1134, discussed bond commission fee collections with Representative Jones.

Treasurer Schroder discussed the cost associated with the transitioning to a paperless system to process unclaimed property claims with Representative Jones.

Ms. Lapeze, Mr. Henry, and Treasurer Schroder discussed the department's fees and self-generated revenue projections and excess budget authority for FY 21 with Representative Miller. Ms. Lapeze also discussed the amount of unclaimed property funds that were used in the department's budget with Representative Miller.

Treasurer Schroder and Ms. Nancy Keaton, first assistant, Department of Treasury, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-1621, discussed the time line for stakeholders to remit claims for unclaimed property with Representative Lyons.

Department of State

Ms. Christina Perrault, budget analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-2412, presented an overview and discussed the department's FY 21 budget.

Representative Carter in the chair.

Secretary R. Kyle Ardoin, Department of State, P.O. Box 94125, Baton Rouge, LA 70804, (225) 922-2880, addressed the committee regarding the department's efforts to increase cybersecurity during elections and certain requests in the FY 21 budget.

Secretary Ardoin discussed the cost to purchase new voting machines, the department's budget authority, and ways to reduce the number of elections held per year with Representative Thompson. The secretary and Ms. Perrault also discussed funding for the state's museums with Representative Thompson.

Secretary Ardoin discussed maintenance and operation of the Old Governor's Mansion and the department's cybersecurity needs with Representative Carpenter.

Representative Zeringue in the chair.

Secretary Ardoin discussed using tourism funding to support the operation of state museums and the cost to hold elections compared to other states with Representative Crews.

Secretary Ardoin discussed incorporating virtual desktop infrastructure technology into the department and the department's efforts to respond to a cybersecurity breach with Representatives Deshotel, Freeman, and Marcelle.

Secretary Ardoin and Ms. Shanda Jones, undersecretary, Department of State, P.O. Box 94125, Baton Rouge, LA 70804, (225) 922-2880, discussed the department's voter registration and outreach efforts with Representative Marcelle.

Secretary Ardoin discussed the process to remove inactive voters from the state's registration of voters list and voter registration outreach with Representative Freeman.

Secretary Ardoin discussed the verification process of certain absentee ballots with Representative Bacala. The secretary also discussed ways to restructure elections with Representative Carrier.

Department of Agriculture and Forestry

Ms. Jamie Tairov, budget analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-0474, presented an overview and discussed the FY 21 budget for the department.

Dr. Mike Strain, commissioner, Department of Agriculture and Forestry, 5825 Florida Blvd., Baton Rouge, LA 70806, (225) 922-1233, discussed the functions of the department and the department's efficiency efforts. The commissioner also provided a handout, Exhibit A, which is included in the committee records.

Commissioner Strain discussed the medical marijuana program with Representatives Miller and Romero. The commissioner also discussed the impact of budget reductions to the Forestry Program with Representative Romero.

Commissioner Strain discussed the competitiveness of the state's farmers in international trade operations with Representative Wheat.

The meeting recessed at 1:59 p.m. and reconvened at 3:53 p.m.

Department of Insurance

Ms. Amanda Trapp, legislative analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-8596, presented an overview and discussed the FY 21 budget for the department.

Commissioner James J. Donelon, Department of Insurance, P.O. Box 94214, Baton Rouge, LA 70804, (225) 342-7275, addressed the committee regarding the department's functions and FY 21 budget.

Commissioner Donelon discussed ways to reduce auto insurance premiums and ways to reduce the uninsured motorist population with Representatives Freeman and Illg.

Commissioner Donelon discussed certain tort reform legislation to reduce auto insurance premiums and using credit report ratings when writing auto insurance policies with Representative Marcelle.

Representative Magee questioned Commissioner Donelon regarding the public's cost of jury trials, Louisiana's user-driven system (i.e., receiving state funding to operate the court systems), and disproportionate policy costs for Louisiana drivers who pay for exorbitant jury systems. Representative Magee's final point was to work in whole, not in part, toward making Louisiana's system similar to other states.

The commissioner discussed the definition of no-fault insurance and the drawback of implementing no-fault insurance in Louisiana with Representative Crews and discussed the benefits of tort reform legislation with Representative Kerner.

Representative Bacala provided Commissioner Donelon with the *2018 Annual Report of the Judicial Council of the Supreme Court's* Louisiana statistics on court filings: civil and criminal trials.

Department of Justice

Ms. Stephanie Little, attorney, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-6292, presented an overview and discussed the department's FY 21 budget.

Mr. Wilbur "Bill" Stiles III, chief deputy attorney general, Department of Justice, 1885 North Third Street, Baton Rouge, LA 70802, (225) 326-6507, discussed the department's excess budget authority, fees and self-generated revenue, and the Medical Assistance Programs Fraud Detection Fund with Representative Bacala.

Mr. Stiles discussed the types of cases the department handles, the cost associated with each, and the Medicaid Fraud Prevention Unit with Representatives Crews and Freeman.

Mr. Stiles discussed current trends Medicaid provider fraud cases and the possible expansion of the Medicaid Fraud Prevention Unit with Representative Edmonds.

Mr. Stiles and Ms. Melissa Gannuch, administrative services deputy director, Department of Justice, 1885 North Third Street, Baton Rouge, LA 70802, (225) 326-6507 also explained how funds are contributed to the Medical Assistance Programs Fraud Detection Fund to Representatives Zeringue, DuBuisson, and Jones.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

The chairman addressed the committee regarding the budget hearings schedule for March 11, 2020.

VI. ADJOURNMENT

Representative Miguez offered a motion to adjourn. Without objection, the motion passed by a vote of 24 yeas and 0 nays. Representatives Zeringue, Adams, Bacala, Carpenter, Carrier, Gary Carter, Crews, Deshotel, DuBuisson, Edmonds, Freeman, Harris, Illg, Jones, Kerner, Lyons, Magee, Marcelle, McFarland, Miguez, Dustin Miller, Romero, Thompson, and Wheat voted yea.

The meeting was adjourned at 5:41 p.m.

Respectfully submitted,

Chairman Jerome "Zee" Zeringue
House Committee on Appropriations