

House Committee on Ways and Means

Minutes of Meeting
2020 Regular Session
May 11, 2020

I. CALL TO ORDER

Representative Stuart J. Bishop, chairman of the House Committee on Ways and Means, called the meeting to order at 9:00 a.m. in Room 4, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Stuart J. Bishop, chairman
Representative Gerald "Beau" Beaulieu, IV
Representative Ryan Joseph Bourriaque
Representative Marcus Anthony Bryant
Representative Rhonda Gaye Butler
Representative Les Farnum
Representative Jason Hughes
Representative Barry Ivey
Representative Jeremy S. LaCombe
Representative Wayne McMahan
Representative Buddy Mincey, Jr.
Representative Neil Riser
Representative John M. Stefanski, vice chairman
Representative Malinda B. White
Representative Matthew Willard
Representative Mark Wright

MEMBERS ABSENT:

Representative Tammy T. Phelps

STAFF MEMBERS PRESENT:

Brittany Lea, committee administrative assistant
Mark Mahaffey, deputy director
Alison Pryor, senior attorney
Catherine Zeringue, attorney

ADDITIONAL ATTENDEES PRESENT:

Angela McKnight, sergeant at arms

Alvin Judson, sergeant at arms

III. DISCUSSION OF LEGISLATION

Senate President Page Cortez and Speaker Clay Schexnayder addressed the committee on the Louisiana Economic Recovery Task Force in making recommendations to jumpstart the economy during the pandemic and asked committee members to listen carefully to the plan of potential legislation being presented to assist small businesses in each district.

House Bill No. 504 by Representative Hilferty

On behalf of Representative Hilferty, Representative Bishop offered a motion to voluntarily defer action on House Bill No. 504, a constitutional amendment which requires all property within a parish to be reassessed in the same year for purposes of statewide reassessment. Without objection, action on House Bill No. 504 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, Butler, Farnum, Hughes, Ivey, McMahan, Mincey, Riser, Stefanski, Willard, and Wright voted yea.

House Bill No. 508 by Representative Hilferty

On behalf of Representative Hilferty, Representative Bishop offered a motion on behalf of Representative Hilferty to voluntarily defer action on House Bill No. 508, which requires all real property within a parish to be reassessed in the same year for purposes of statewide reassessment. Without objection, action on House Bill No. 508 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, Butler, Farnum, Hughes, Ivey, McMahan, Mincey, Riser, Stefanski, Willard, and Wright voted yea.

House Concurrent Resolution No. 65 by Representative Bishop***Representative Stefanski in the Chair***

Representative Bishop presented House Concurrent Resolution No. 65, which suspends the severance taxes levied on oil, natural gas, distillate, and condensate.

Mr. Jason DeCuir, chairman of the Louisiana Economic Recovery Task Force, 301 Main Street, Suite 1500, Baton Rouge, LA 70825, (225) 334-0040, spoke in support of House Concurrent Resolution No. 65.

Representative Stefanski read a letter that was submitted by Dr. Loren C. Scott & Associates, Exhibit A, regarding key policy changes suggested to aid Louisiana businesses in the recovery.

Mr. Guy Cormier, Police Jury Association of Louisiana, 707 North 7th Street, Baton Rouge, LA 70802, (225) 343-2835, spoke in opposition to House Concurrent Resolution No. 65.

Mr. Peter Robins-Brown, Power Coalition for Equity and Justice, no address provided, (504) 256-8196, spoke in opposition to House Concurrent Resolution No. 65.

Mr. Edgar Cage, Together Louisiana, 4302 Melban Street, Baker, LA 70714, (225) 274-5808, spoke in opposition to House Concurrent Resolution No. 65.

Representative Beaulieu offered a motion to report House Concurrent Resolution No. 65 favorably, to which Representative Willard objected. The administrative assistant called the roll, and House Concurrent Resolution No. 65 was reported favorably by a vote of 11 yeas and 5 nays. Representatives Bishop, Beaulieu, Bourriaque, Butler, Farnum, Ivey, LaCombe, McMahan, Riser, Stefanski, and Wright voted yea. Representatives Bryant, Hughes, Mincey, White, and Willard voted nay.

Witness cards submitted by individuals who did not speak are as follows: 5 in support and 1 in opposition. Witness cards are included in the committee records.

Statements submitted in accordance with House Rule 14.33 in lieu of appearing before the committee are as follows: 81 in opposition. Copies of these statements are included in the committee records.

House Concurrent Resolution No. 79 by Representative Bishop

Representative Bishop presented House Concurrent Resolution No. 79, which urges and requests that any proclamation convening in an extraordinary session of the legislature in 2020 include changes to eligibility to participate in the Enterprise Zone incentive.

Mr. Jason DeCuir, chairman of the Louisiana Economic Recovery Task Force, 301 Main Street, Suite 1500, Baton Rouge, LA 70825, (225) 334-0040, spoke in support of House Concurrent Resolution No. 79.

Mr. Ruffin Rodrigue, Ruffino's Italian Restaurant, 18811 Highland Road, Baton Rouge, LA 70809, (225) 753-3458, spoke in support of House Concurrent Resolution No. 79.

Representative Stefanski offered in-concept technical amendments. Representative Stefanski offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by

a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, Butler, Farnum, Ivey, LaCombe, McMahan, Mincey, Riser, Stefanski, White, and Willard voted yea.

Representative Riser offered a motion to report House Concurrent Resolution No. 79 with amendments. Without objection, House Concurrent Resolution No. 79 was reported with amendments by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, Butler, Farnum, Ivey, LaCombe, McMahan, Mincey, Riser, Stefanski, White, and Willard voted yea.

Statements submitted in accordance to House Rule 14.33 in lieu of appearing before the committee are as follows: 1 in support. Copies of these statements are included in the committee records.

House Concurrent Resolution No. 66 by Representative Bishop

Representative Bishop presented House Concurrent Resolution No. 66, which suspends the corporation franchise tax levied on domestic and foreign corporations and the initial tax levied on certain business entities subject to the corporate franchise tax.

Mr. Jason DeCuir, chairman of the Louisiana Economic Recovery Task Force, 301 Main Street, Suite 1500, Baton Rouge, LA 70825, (225) 334-0040, spoke in support of House Concurrent Resolution No. 66.

Representative Bishop offered amendments which limit the suspension of the corporation franchise tax to the tax levied at the rate of \$1.50 for each \$1,000, or major fraction thereof, on the first \$300,000 of taxable capital on domestic and foreign corporations. Representative Bishop offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 13 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, Butler, Farnum, Hughes, Ivey, McMahan, Mincey, Stefanski, White, and Willard voted yea.

Mr. Jude Melville, B1Bank, 500 Laurel Street, Baton Rouge, LA 70801, (225) 248-7600, spoke in support of House Concurrent Resolution No. 66.

Representative Stefanski offered a motion to report House Concurrent Resolution No. 66 with amendments. Without objection, House Concurrent Resolution No. 66 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Butler, Farnum, Hughes, Ivey, Mincey, Riser, Stefanski, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 7 in support and 3 in opposition. Witness cards are included in the committee records.

Statements submitted in accordance with House Rule 14.33 in lieu of appearing before committee are as follows: 78 in opposition. Copies of these statements are included in the committee records.

House Concurrent Resolution No. 40 by Representative Wright

Representative Wright offered a motion to voluntarily defer action on House Concurrent Resolution No. 40, which directs the Dept. of Revenue to develop data on the projected impact the COVID-19 pandemic will have on Louisiana business revenue in 2020 and on net operating loss carry forward tax deductions for future tax filings. Without objection, action on House Concurrent Resolution No. 40 was voluntarily deferred by a vote of 11 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Butler, Farnum, Mincey, Riser, Stefanski, White, Willard, and Wright voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support. Witness cards are included in the committee records.

House Concurrent Resolution No. 76 by Representative Wright

Representative Wright presented House Concurrent Resolution No. 76, which urges and requests that any proclamation convening an Extraordinary Session of the Legislature in 2020 include changes to the carryback provisions of the corporate income tax deduction for net operating losses.

Mr. Jason DeCuir, chairman of the Louisiana Economic Recovery Task Force, 301 Main Street, Suite 1500, Baton Rouge, LA 70825, (225) 334-0040, spoke in support of House Concurrent Resolution No. 79.

Representative Stefanski offered a motion to report House Concurrent Resolution No. 76 favorably. Without objection, House Concurrent Resolution No. 76 was reported favorably by a vote of 13 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Butler, Farnum, Hughes, Ivey, LaCombe, Mincey, Riser, Stefanski, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 6 in support. Witness cards are included in the committee records.

House Bill No. 846 by Representative Wright

Representative Wright presented House Bill No. 846, which provides relative to the Competitive Projects Payroll Incentive Program.

Mr. Jason DeCuir, chairman of the Louisiana Economic Recovery Task Force, 301 Main Street, Suite 1500, Baton Rouge, LA 70825, (225) 334-0040, spoke in support of House Bill No. 846.

Mr. Joel Robideaux, vice chairman, Louisiana Economic Recovery Task Force, (No witness card submitted), spoke in support of House Bill No. 846.

Representative Wright offered amendments which establish a rebate for any eligible COVID-19-impacted business that meets certain eligibility requirements. Further provides for the amount of the rebate, maximum term of the contract, and other incentive requirements. Representative Wright offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Bishop, Beaulieu, Bryant, Butler, Farnum, Hughes, LaCombe, Mincey, Riser, Stefanski, White, and Wright voted yea.

Representative Stefanski offered a motion to report House Bill No. 846 with amendments. Without objection, House Bill No. 846 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Bishop, Beaulieu, Bryant, Butler, Farnum, Hughes, LaCombe, Mincey, Riser, Stefanski, White, and Wright voted yea.

Witness card submitted by individuals who did not speak are as follows: 3 in support. Witness cards are included in the committee records.

Representative Stefanski read a portion of the report from the Public Affairs Research Council (PAR), Exhibit B, on corporate franchise tax and how Louisiana is an outlier with the national trend moving against the state while being less conducive to economic development in the state.

House Bill No. 429 by Representative Magee

On behalf of Representative Magee, Representative Bishop offered a motion to voluntarily defer action on House Bill No. 429, a constitutional amendment which authorizes a commission for remote sellers to remit local sales and use taxes to local tax collectors. Without objection, action on House Bill No. 429 was voluntarily deferred by a vote of 11 yeas and 0 nays. Representatives Bishop, Beaulieu, Bryant, Butler, Farnum, Ivey, LaCombe, Mincey, Stefanski, White, and Wright voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 1 in opposition. Witness cards are included in the committee records.

Statements submitted in accordance with House Rule 14.33 in lieu of appearing before the committee are as follows: 1 in opposition. Copies of these statements are included in the committee records.

Representative Bishop in the Chair

House Concurrent Resolution No. 43 by Representative Edmonds

On behalf of Representative Edmonds, Representative Bishop offered a motion to voluntarily defer action on House Concurrent Resolution No. 43, which suspends the corporation franchise tax levied on domestic and foreign corporations and the initial tax levied on certain business entities subject to the corporation franchise tax. Without objection, action on House Concurrent Resolution No. 43

was voluntarily deferred by a vote of 11 yeas and 0 nays. Representatives Bishop, Beaulieu, Bryant, Butler, Farnum, Ivey, LaCombe, Mincey, Stefanski, White, and Wright voted yea.

Witness cards submitted by individuals who did not speak are as follows: 4 in support and 3 in opposition. Witness cards are included in the committee records.

Statements submitted in accordance with House Rule 14.33 in lieu of appearing before the committee are as follows: 85 in opposition. Copies of these statements are included in the committee records.

The committee recessed at 12:28 p.m. The committee reconvened at 12:33 p.m.

House Bill No. 525 by Representative Hilferty

Representative Hilferty presented House Bill No. 525, a constitutional amendment which removes the income limitation for qualifying for the special assessment level.

Representative Ivey offered amendments which: (1) change the resolution from one that removes the income threshold for qualifying for the special assessment level for residential property receiving the homestead exemption to one that increases the income threshold from \$50,000 adjusted annually from tax year 2001 to \$10,000 adjusted annually from tax year 2021; and (2) reinstate the annual certification requirements relative to this income requirement.

Representative Ivey offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 11 yeas and 0 nays. Representatives Bishop, Beaulieu, Butler, Farnum, Ivey, Mincey, Riser, Stefanski, White, Willard, and Wright voted yea.

Representative Ivey offered a motion to report House Bill No. 525 with amendments. Without objection, House Bill No. 525 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Bishop, Bourriaque, Bryant, Butler, Farnum, Hughes, Ivey, Mincey, Stefanski, White, Willard, and Wright voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 1 in opposition. Witness cards are included in the committee records.

Statements submitted in accordance with House Rule 14.33 in lieu of appearing before committee are as follows: 1 in opposition. Copies of these statements are included in the committee records.

House Bill No. 521 by Representative Hilferty

This is a continuation of the discussion on House Bill No. 521 from May 5, 2020. Please check for the prior action to complete the record of discussion and motions on House Bill No. 521.

Representative Hilferty presented House Bill No. 521, which provides for the notification process for ad valorem reappraisal.

Representative Stefanski offered in-concept amendments which apply only to a parish which contains a municipality with a population of more than 340,000 according to the most recent federal decennial census. Representative Stefanski offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Bishop, Bourriaque, Bryant, Butler, Farnum, Hughes, Ivey, Mincey, Riser, Stefanski, White, and Willard voted yea.

Mr. Brian Eddington, Louisiana Assessors' Association, 3060 Valley Creek Drive, Baton Rouge, LA 70808, (225) 924-4066, spoke in opposition to House Bill No. 521.

Mr. Erroll G. Williams, assessor, Orleans Parish, 1300 Perdido Street, New Orleans, LA 70112, (504) 658-1313, spoke in opposition to House Bill No. 521.

Representative Willard offered amendments which require notice if the reappraisal of property results in an increase of more than 50% of the previously assessed value and a homestead exemption is claimed on the property. The assessor shall provide the notice required by certified mail. Representative Willard offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 13 yeas and 0 nays. Representatives Bishop, Bourriaque, Bryant, Farnum, Hughes, Ivey, LaCombe, McMahan, Mincey, Riser, Stefanski, Willard, and Wright voted yea.

Representative Hughes offered a motion to report House Bill No. 521 with amendments. Without objection, House Bill No. 521 was reported with amendments by a vote of 13 yeas and 0 nays. Representatives Bishop, Bourriaque, Bryant, Farnum, Hughes, Ivey, LaCombe, McMahan, Mincey, Riser, Stefanski, Willard, and Wright voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 1 in opposition. Witness cards are included in the committee records.

IV. OTHER BUSINESS

COMMITTEE ROOM 3 TO BE USED FOR OVERFLOW

V. ANNOUNCEMENTS

Persons who do not feel comfortable giving testimony in person at this time may submit a prepared statement in accordance with House Rule 14.33 in lieu of appearing before the committee:

A. Any interested person or any committee member may file with the committee a prepared statement concerning a specific instrument or matter under consideration by the committee or concerning any matter within the committee's scope of authority, and the committee records shall reflect receipt of such statement and the date and time thereof.

B. Any person who files a prepared statement which contains data or statistical information shall include in such prepared statement sufficient information to identify the source of the data or statistical information. For the purposes of this Paragraph, the term "source" shall mean a publication, website, person, or other source from which the data or statistical information contained in the prepared statement was obtained by the person or persons who prepared the statement.

NOTE: Only statements mailed to leab@legis.la.gov and received prior to noon on Sunday, May 10, will be included in the record for this committee meeting. All persons desiring to participate in the meeting shall utilize appropriate protective health measures and observe the recommended and appropriate social distancing.

VI. ADJOURNMENT

Representative Mincey offered a motion to adjourn. Without objection, the motion passed by a vote of 13 yeas and 0 nays. Representatives Bishop, Bourriaque, Bryant, Farnum, Hughes, Ivey, LaCombe, McMahan, Mincey, Riser, Stefanski, Willard, and Wright voted yea.

The meeting was adjourned at 12:55 p.m.

Respectfully submitted,

Chairman Stuart J. Bishop
House Committee on Ways and Means