

House Committee on Ways and Means

Minutes of Meeting
2020 First Extraordinary Session
June 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 Tammy T. Phelps
Representative Neil Riser
Representative John M. Stefanski, vice chairman
Representative Malinda B. White
Representative Matthew Willard
Representative Mark Wright

MEMBERS ABSENT:

None

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
Myrtis Jarrell, sergeant at arms

III. DISCUSSION OF LEGISLATION**House Bill No. 16 by Representative Echols**

This is a continuation of the discussion on House Bill No. 16 from June 5, 2020. Please check for the prior action to complete the record of discussion and motions on House Bill No. 16.

Representative Echols presented House Bill No. 16, which establishes a tax credit for eligible expenses incurred in the rehabilitation of historic structures included on the National Register of Historic Places.

Representative Bishop offered amendments which: (1) specify that costs and expenses that will be eligible for the tax credit shall be those incurred or expended on projects that begin on or after August 1, 2020; (2) change the effective date for establishment of this 30% tax credit from July 1, 2020, to August 1, 2020; (3) decrease the maximum amount of costs and expenses that can be incurred in order to be eligible for the tax credit from \$3.25M to \$2M; and (4) decrease the annual per taxpayer cap for the participation in this 30% tax credit from \$750,000 to \$600,000.

Representative Bishop offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas, 0 nays, and 1 abstention. Representatives Bishop, Bourriaque, Bryant, Butler, Farnum, McMahan, Mincey, Stefanski, White, and Wright voted yea. Representative Beaulieu abstained.

Representative Bishop offered a motion to report House Bill No. 16 with amendments. Without objection, House Bill No. 16 was reported with amendments by a vote of 12 yeas, 0 nays, and 1 abstention. Representatives Bishop, Bryant, Butler, Farnum, Hughes, McMahan, Mincey, Riser, Stefanski, White, Willard, and Wright voted yea. Representative Beaulieu abstained.

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

House Bill No. 52 by Representative Coussan

Representative Coussan presented House Bill No. 52, which increases the amount of the Digital Interactive Media and Software Tax Credit and expands eligibility to include information technology services.

Representative Pierre, co-author, District No. 30, 718 South Buchanan Street, Lafayette, LA 70501, (337) 262-2330, spoke in sponsorship of the measure.

Representative Riser offered in-concept amendments which: (1) change the effective date for authorization of the additional 2% tax credit in the base investment rate for state-certified production expenditures from July 1, 2021, to July 1, 2023; and (2) change the effective date for provisions of proposed law from July 1, 2020, to July 1, 2023.

Representative Riser offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 15 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, Butler, Farnum, Hughes, Ivey, LaCombe, McMahan, Mincey, Riser, White, Willard, and Wright voted yea.

Mr. Chris Stelly, Louisiana Economic Development, 617 North 3rd Street, Baton Rouge, LA 70802, (225) 342-5555, spoke for information only on House Bill No. 52.

Mr. Troy Wayman, One Acadiana, 804 East Saint Mary Boulevard, Lafayette, LA 70503, (251) 421-2948, spoke in support of House Bill No. 52.

Representative Bishop offered a motion to report House Bill No. 52 with amendments. Without objection, House Bill No. 52 was reported with amendments by a vote of 15 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, Butler, Farnum, Hughes, Ivey, LaCombe, McMahan, Mincey, Phelps, White, Willard, and Wright voted yea.

Witness cards submitted by individuals who did not speak are as follows: 11 in support. Witness cards are included in the committee records.

House Bill No. 25 by Representative Wright

Further action was taken by the committee on House Bill No. 25 on June 15, 2020. Please check for the subsequent action to complete the record of discussion and motions on House Bill No. 25.

Representative Bourriaque in the chair

Representative Wright presented House Bill No. 25, which authorizes carry-back provisions for the net operating loss deduction for purposes of calculating corporate income tax.

Representative Stefanski offered amendments which: (1) reduce the amount of the net operating loss deduction carry-back from 100% of the taxpayer's loss to 72% of the taxpayer's loss; and (2) prohibit the net operating loss carry-back deduction from exceeding 72% of the taxpayer's La. net income.

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, Beaulieu, Bourriaque, Butler, Farnum, Ivey, McMahan, Mincey, Stefanski, White, Willard, and Wright voted yea.

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. 25.

Representative Bishop in the chair

Mr. Luke Morris, assistant secretary, Louisiana Department of Revenue, 617 North 3rd Street, Baton Rouge, LA 70802, (225) 219-4059, spoke for information only on House Bill No. 25.

Representative White offered in-concept amendments to change the taxable years in which proposed law applies from beginning on or after January 1, 2017, through taxable years commencing before January 1, 2022, to taxable years beginning on or after January 1, 2019, through taxable years commencing before January 1, 2021. Representative White offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Bishop, Bourriaque, Butler, Farnum, Ivey, McMahan, Mincey, White, Willard, and Wright voted yea.

Representative Wright offered a motion to voluntarily defer action on House Bill No. 25. Without objection, action on House Bill No. 25 was voluntarily deferred by a vote of 10 yeas and 0 nays. Representatives Bishop, Bourriaque, Butler, Farnum, Ivey, McMahan, Mincey, 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.

Statements submitted in accordance with 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 Bill No. 64 by Representative Stefanski

Representative Stefanski presented House Bill No. 64, which levies a state tax on the net revenue of fantasy sports contests.

Representative Stefanski offered a motion to report House Bill No. 64 favorably. Without objection, House Bill No. 64 was reported favorably by a vote of 13 yeas and 0 nays. Representatives Bishop, Bourriaque, Bryant, Butler, Farnum, Hughes, Ivey, McMahan, Mincey, Phelps, Stefanski, White, and Willard voted yea.

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

Representative Stefanski in the chair

House Bill No. 54 by Representative Ivey

Representative Ivey presented House Bill No. 54, which provides for ad valorem tax exemptions for certain capital investment projects.

Representative Ivey offered amendments which: (1) create new parts within the chapter; (2) add a statement of purpose for the La. Capital Investment Program; (3) add definitions for "local authorities" and "parish authorities" and remove the term and definition of "political subdivision"; (4) add provisions for the adoption and promulgation of rules in compliance with the Administrative Procedure Act; (5) add provisions relative to the notification, enrollment, and withdrawal processes; (6) add provisions to identify different industry sectors established within the La. Capital Investment Program; (7) change the processes for the review and approval of the standard exemption; and (8) make technical changes.

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 Beaulieu, Bourriaque, Bryant, Butler, Hughes, Ivey, McMahan, Mincey, Phelps, Stefanski, and Willard voted yea.

Mr. Edgar Cage, Together Louisiana, 4302 Melban Street, Baker, LA 70714, (225) 274-5808, spoke in opposition to House Bill No. 54.

Ms. Lady Carlson, Together Louisiana, 7640 Lassalle Avenue, Baton Rouge, LA 70806, (318) 880-7373, spoke in opposition to House Bill No. 54.

Representative Ivey offered a motion to report House Bill No. 54 with amendments. Without objection, House Bill No. 54 was reported with amendments by a vote of 11 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, Butler, Farnum, Hughes, Ivey, McMahan, Mincey, Stefanski, and White voted yea.

House Bill No. 50 by Representative Ivey

Representative Ivey presented House Bill No. 50, which authorizes local taxing authorities to enter into cooperative endeavor agreements that provide for payments in lieu of taxes.

Representative Ivey offered amendments which: (1) add an abatement exemption; (2) establish the calculation for the amount of the abatement; (3) remove the provisions establishing the PILOT Advisory Committee; (4) remove the provisions providing for the authority, membership, and responsibilities of the PILOT Advisory Committee; (5) add provisions requiring the Department of Economic Development to assist in the cooperative endeavor agreement process; and (6) make technical changes.

Representative Ivey offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, Butler, Farnum, Ivey, McMahan, Stefanski, White, and Willard voted yea.

Mr. Edgar Cage, Together Louisiana, 4302 Melban Street, Baker, LA 70714, (225) 274-5808, spoke in opposition to House Bill No. 50.

Representative Ivey 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 11 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, Butler, Farnum, Ivey, McMahan, Mincey, Stefanski, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 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 8 a.m., Thursday, June 11, 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 11 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, Butler, Farnum, Ivey, McMahan, Mincey, Stefanski, White, and Willard voted yea.

The meeting was adjourned at 11:33 a.m.

Respectfully submitted,

Chairman Stuart J. Bishop
House Committee on Ways and Means