

House Committee on Ways and Means

Minutes of Meeting
2021 Regular Session
May 17, 2021

I. CALL TO ORDER

Representative Stuart J. Bishop, chairman of the House Committee on Ways and Means, called the meeting to order at 12:00 p.m. in Room 6, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Stuart J. Bishop, chairman
Representative Ryan Bourriaque
Representative Rhonda Gaye Butler
Representative Phillip R. DeVillier
Representative Les Farnum
Representative Jeremy S. LaCombe
Representative Tanner D. Magee
Representative Wayne McMahan
Representative Buddy Mincey, Jr.
Representative Joseph A. Orgeron
Representative Tammy T. Phelps
Representative Neil Riser
Representative Malinda B. White
Representative Matthew Willard
Representative Mark Wright

MEMBERS ABSENT:

Representative Gerald "Beau" Beaulieu, IV
Representative Marcus Anthony Bryant
Representative Jason Hughes

STAFF MEMBERS PRESENT:

Brittany Lea, committee administrative assistant
Alison Pryor, senior attorney
Catherine Zeringue, attorney

ADDITIONAL ATTENDEES PRESENT:

Janet Anthony, sergeant at arms

III. DISCUSSION OF LEGISLATION**Senate Bill No. 36 by Senator Reese**

Senator Reese presented Senate Bill No. 36, which provide relative to net operating loss deductions on Louisiana corporation income.

Representative Farnum offered amendments which specify that for claims on any return filed on or after Jan. 1, 2022, for net operating losses relating to loss years on or after Jan. 1, 2001, the loss may be carried to each taxable year following the loss year until the loss is fully recovered. Representative Farnum 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, Bourriaque, Butler, DeVillier, Farnum, McMahan, Mincey, Riser, White, Willard, and Wright voted yea.

Representative Riser offered a motion to report Senate Bill No. 36 with amendments. Without objection, Senate Bill No. 36 was reported with amendments by a vote of 11 yeas and 0 nays. Representatives Bishop, Bourriaque, Butler, DeVillier, Farnum, McMahan, Mincey, Riser, White, Willard, and Wright voted yea.

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

House Bill No. 678 by Representative Duplessis

Representative DeVillier stated that he had a potential conflict of interest and recused himself from voting on House Bill No. 678.

Representative Duplessis presented House Bill No. 678, which provides for the Louisiana work opportunity tax credit.

Representative Bishop offered amendments which: (1) add a definition for the term "secretary"; (2) change the amount of the credit from 50% of the eligible re-entrant wages to 5% of the eligible re-entrant wages; (3) change the maximum amount of the credit from a total of \$20,000 per eligible business in a calendar year to a total of \$2,500 per business per eligible re-entrant; (4) add provisions requiring the Dept. of Public Safety or the sheriff, whichever is applicable, to certify to the Dept. of Revenue that the eligible business employed an eligible re-entrant in an eligible job for at least 12 consecutive months following their release from imprisonment; (5) add provisions that permit the

secretary of the Dept. of Revenue to recover a credit if the credit later becomes disallowed; (6) add provisions prohibiting a taxpayer from receiving any other tax incentive for the job creation or hiring of an eligible re-entrant for which the taxpayer has received a tax credit pursuant to proposed law; (7) authorize the Dept. of Revenue to promulgate rules in accordance with the Administrative Procedure Act to establish procedures related to program eligibility; (8) add provisions prohibiting the granting of credits after June 30, 2027; (9) change the effectiveness of proposed law from Jan. 1, 2022, to effectiveness upon signature by the governor or lapse of time for gubernatorial action; and (10) make technical changes.

Representative Bishop 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, McMahan, Mincey, Riser, White, Willard, and Wright voted yea.

Representative Willard offered a motion to report House Bill No. 678 with amendments. Without objection, House Bill No. 678 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Bishop, Bourriaque, Butler, Farnum, LaCombe, Magee, McMahan, Mincey, Riser, 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.

Senate Bill No. 5 by Senator Foil

Senator Foil presented Senate Bill No. 5, which excludes amounts deposited into certain education savings accounts for tuition expenses for elementary and secondary schools from state income tax.

Representative Bishop offered a motion to report Senate Bill No. 5 favorably. Without objection, Senate Bill No. 5 was reported favorably by a vote of 13 yeas and 0 nays. Representatives Bishop, Bourriaque, Butler, DeVillier, Farnum, LaCombe, Magee, McMahan, Mincey, Phelps, Riser, Willard, and Wright voted yea.

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

Senate Bill No. 46 by Senator Lambert

Senator Lambert presented Senate Bill No. 46, which increases the amount of compensation excluded from tax table income for certain active duty members of the armed forces.

Representative Riser offered a motion to report Senate Bill No. 46 favorably. Without objection, Senate Bill No. 46 was reported favorably by a vote of 13 yeas and 0 nays. Representatives Bishop,

Bourriaque, Butler, DeVillier, Farnum, LaCombe, Magee, McMahan, Mincey, Phelps, Riser, Willard, and Wright voted yea.

Senate Bill No. 75 by Senator Lambert

Senator Lambert presented Senate Bill No. 75, which provides an exception for late approval of a capital outlay request for a state-owned and administered project submitted by a budget unit of the state, including public postsecondary education institutions.

Representative Mincey offered a motion to report Senate Bill No. 75 favorably. Without objection, Senate Bill No. 75 was reported favorably by a vote of 13 yeas and 0 nays. Representatives Bishop, Bourriaque, Butler, DeVillier, Farnum, LaCombe, McMahan, Mincey, Phelps, Riser, White, Willard, and Wright voted yea.

Senate Bill No. 45 by Senator Harris

Senator Harris presented Senate Bill No. 45, which extends the sunset date for Ports of Louisiana tax credits.

Ms Mandi Landry, Louisiana Economic Development (LED), 617 North 3rd Street, Baton Rouge, LA 70802, (225) 342-6499, spoke for information only on Senate Bill No. 45.

Representative Wright offered a motion to report Senate Bill No. 45 favorably. Without objection, Senate Bill No. 45 was reported favorably by a vote of 12 yeas and 0 nays. Representatives Bishop, Butler, DeVillier, Farnum, LaCombe, Magee, McMahan, Mincey, Phelps, White, Willard, and Wright voted yea.

Witness cards submitted by individuals who did not speak are as follows: 10 in support. Witness cards are included in the committee records.

Senate Bill No. 217 by Senator Harris

Senator Harris presented Senate Bill No. 217, which provides for the Louisiana Import Tax Credit.

Mr. Matt Gresham, Port of New Orleans, 1350 Port of New Orleans Place, New Orleans, LA 70130, (504) 528-3255, spoke in support of Senate Bill No. 217.

Dr. Jim Richardson, Port of New Orleans, 3165 Kleinert Avenue, Baton Rouge, LA 70806, (225) 281-2873, spoke in support of Senate Bill No. 217.

Representative DeVillier offered amendments which: (1) prohibit recipients of the port credit from receiving any other state tax credit, exemption, exclusion, deduction, rebate, or other tax benefit for

which the taxpayer has received a port credit; (2) require DED to provide the name and tax identification number of the applicant who is approved for port credits, the total amount of credits approved for the applicant, and other information to the Dept. of Revenue; and (3) authorize DOR to use collection remedies authorized in present law to recover credits that were granted and then subsequently disallowed. Representative DeVillier 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, DeVillier, Farnum, LaCombe, Magee, McMahan, Phelps, White, Willard, and Wright voted yea.

Secretary Kimberly J. Lewis, Louisiana Department of Revenue (DOR), P.O. Box 66258, Baton Rouge, LA 70896, (225) 219-4059, spoke for information only on Senate Bill No. 217.

Representative Bishop offered conceptual amendments which specify that the rules promulgated by DED to implement the provisions of proposed law shall be in accordance with present law (Administrative Procedure Act) subject to oversight by the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs. Representative Bishop 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, DeVillier, Magee, McMahan, Orgeron, Phelps, Riser, White, Willard, and Wright voted yea.

Representative Wright offered a motion to report Senate Bill No. 217 with amendments. Without objection, Senate Bill No. 217 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Bishop, DeVillier, Magee, McMahan, Orgeron, Phelps, Riser, White, Willard, and Wright voted yea.

Witness cards submitted by individuals who did not speak are as follows: 10 in support. Witness cards are included in the committee records.

Representative Riser in the chair

Senate Bill No. 6 by Senator Cathey

Senator Cathey presented Senate Bill No. 6, which exempts purchases of utilities used by commercial farmers for on-farm storage from state sales and use tax.

Representative DeVillier offered a motion to report Senate Bill No. 6 favorably. Without objection, Senate Bill No. 6 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Bishop, DeVillier, Magee, McMahan, Orgeron, Phelps, Riser, White, Willard, and Wright voted yea.

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

Senate Bill No. 31 by Senator Cathey

Senator Cathey presented Senate Bill No. 31, which provides an exemption from state individual income tax for digital nomads.

Representative Bishop offered a motion to report Senate Bill No. 31 favorably. Without objection, Senate Bill No. 31 was reported favorably by a vote of 11 yeas and 0 nays. Representatives Bishop, Butler, DeVillier, Farnum, Magee, McMahan, Mincey, Orgeron, Riser, White, and Willard voted yea.

Senate Bill No. 11 by Senator Talbot

On behalf of Senator Talbot, Senator Cathey presented Senate Bill No. 11, which provides an individual and corporation income tax exemption for state and federal COVID-19 relief benefits.

Representative Bishop offered a motion to report Senate Bill No. 11 favorably. Without objection, Senate Bill No. 11 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Bishop, Butler, Farnum, Magee, McMahan, Mincey, Orgeron, Riser, White, and Willard voted yea.

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

IV. OTHER BUSINESS

There was no other business.

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: Statements emailed to hwmc@legis.la.gov and received prior to noon on Friday, May 14, 2021, will be distributed to the committee members prior to the 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 Bishop offered a motion to adjourn. Without objection, the motion passed by a vote of 10 yeas and 0 nays. Representatives Bishop, Butler, Farnum, Magee, McMahan, Mincey, Orgeron, Riser, White, and Willard voted yea.

The meeting was adjourned at 1:08 p.m.

Respectfully submitted,

Chairman Stuart J. Bishop
House Committee on Ways and Means