

House Committee on Ways and Means

Minutes of Meeting
2024 Regular Session
April 23, 2024

I. CALL TO ORDER

Representative Julie Emerson, chairman of the House Committee on Ways and Means, called the meeting to order at 10:36 a.m. in Room 6, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Julie Emerson, chairman
Representative Kendricks "Ken" Brass, vice chairman
Representative Dennis Bamburg, Jr.
Representative Michael Robert "Mike" Bayham, Jr.
Representative Beth Anne Billings
Representative Michael Charles Echols
Representative Les Farnum
Representative Jack "Jay" William Gallé, Jr.
Representative Chance Keith Henry
Representative Mandie Landry
Representative Wayne McMahan
Representative Brach Jerad Myers
Representative Larry Selders
Representative Roger William Wilder, III
Representative Matthew Willard

MEMBERS ABSENT:

Representative Marcus Anthony Bryant
Representative Jeremy S. LaCombe
Representative Joseph A. Orgeron
Representative Rashid Armand Young

STAFF MEMBERS PRESENT:

Jacob Wilkinson, committee administrative assistant
Brittany Lea, executive assistant
Alison Pryor, senior attorney

Drew Murray, legislative analyst

ADDITIONAL ATTENDEES PRESENT:

Janet Anthony, sergeant at arms

Angela McKnight, sergeant at arms

III. INSTRUMENTS TO BE HEARD

House Bill No. 940 by Representative Turner

Representative Turner presented House Bill No. 940, which authorizes the issuance of bonds to finance deferred maintenance projects included in the College and University Deferred Maintenance and Capital Improvement Program.

Representative Emerson offered amendments which: (1) delete requirements that the corporation must adhere to, including disclosure of property interests of any party contracting with the corporation in connection with a project, its responsibilities and those of any party contracting with the corporation in the development of a project, disclosure of contracts the board enters into, responsibilities of any party contracting with the corporation with respect to the financing of a project, public meetings and the posting of meeting minutes, adoption and maintenance of a policy on conflicts of interest, and the process for selection of qualified contractors; (2) delete all requirements related to meetings of a corporation's board, conflicts of interest, and disclosure of certain information regarding financial interests in contracts under the supervision of the corporation's board; (3) delete provisions related to contracts in excess of \$1 million, in favor of requiring the commissioner to select qualified corporations from a list of corporations submitted by the board of a system; (4) authorize the board of a system to enter into agreements with one or more corporations to administer and manage projects; (5) authorize the use alternative competitive procurement and delivery methods with public advertisement for the award of any contracts for the construction of any project in excess of \$1 million of total installed costs; (6) require the commissioner and the director to approve all CEAs entered into between the board, a corporation, and the state prior to the commencement of any planning, design, or construction activities; (7) require the CEA to set forth the requirements and responsibilities of each party and to conform to the standards of CEAs administered by FP&C; (8) require monies to pay for the costs of projects to be disbursed by the director within 45 days of submission of project expenses to the director by the board; (9) authorize the board of a system to undertake a project with a total installed cost of less than \$1 million if the project is approved by the board, the commissioner, and the director; (10) require the director to monitor projects undertaken by a board; (11) require the board and the corporation to submit written reports every six months which contains information on the status of each project administered by them; and (12) make technical changes.

Representative Emerson offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 13 yeas and 0 nays. Representatives Emerson, Brass, Bamburg, Bayham, Billings, Echols, Farnum, Gallé, Henry, McMahan, Myers, Selders, and Wilder voted yea.

Dr. Kim Hunter Reed, commissioner, Board of Regents, 1201 N. Third St., Baton Rouge, LA 70802, spoke for information only on House Bill No. 940 and provided a handout, Exhibit A, which is included in the committee records.

Mr. Rick Gallot, president, University of Louisiana System, 1201 N. Third St., Baton Rouge, LA 70802, spoke for information only on House Bill No. 940.

Ms. Tara LaFrance, president, United Federation of College Teachers, P.O. Box 24039, New Orleans, LA 70124, spoke in support of House Bill No. 940.

Mr. John K. Pierre, chancellor, Southern University and A&M College, 840 Harding Blvd., Baton Rouge, LA 70807, spoke for information only on House Bill No. 940.

Representative Brass offered a motion to report House Bill No. 940 with amendments. Without objection, House Bill No. 940 was reported with amendments by a vote of 13 yeas and 0 nays. Representatives Emerson, Brass, Bamburg, Bayham, Billings, Echols, Gallé, Henry, McMahan, Myers, Selders, Wilder, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 7 in support and 1 for information only. Witness cards are included in the committee records.

House Bill No. 827 by Representative Turner

Representative Turner presented House Bill No. 827, which provides relative to the sales and use tax rebate on the sale of certain fiber-optic cable equipment.

Ms. Catherine Logan, Louisiana Department of Revenue (LDR), 617 N. Third St., Baton Rouge, LA 70802, spoke for information only on House Bill No. 827.

Mr. Matt Adams, director, AT&T, 301 Main St., Suite 1050, Baton Rouge, LA 70801, spoke in support of House Bill No. 827.

Representative Farnum offered amendments which: (1) repeal present law authorizing a local sales and use tax rebate on the sale of certain communications equipment. Repeal corresponding provisions of present law relative to administration of the local sales and use tax rebate; (2) repeal present law limiting eligibility for a sales and use tax rebate on purchases of certain communications equipment to winning bidders in the Rural Digital Opportunity Fund Auction held by the Federal

Communications Commission; (3) repeal from present law the defined term "fiber-optic cable equipment" and its corresponding definition; (4) institute the terms "broadband communications service", "communications provider", and "equipment used to provide broadband communications service" and define those terms for purposes of proposed law; (5) authorize a rebate of state sales and use taxes paid by communications providers on purchases of equipment used to provide broadband communications services; (6) Increase the rebate amount authorized in present law from 50% of state sales taxes paid on eligible purchases to 100% of state sales taxes paid on such purchases; (7) revise a prohibition in present law on rebates for purchases of fiber-optic cable equipment that are paid for with state or federal funds, except in cases where the state or federal funds are reported as taxable income or are structured as repayable loans. Provide instead for a general prohibition on rebates for purchases of equipment paid for with state or federal funds; (8) revise present law relative to administration of the state sales tax rebate by the Dept. of Revenue to require that the method for processing and paying rebate claims be established in administrative rules of the department. Authorize the department to provide for a first-come, first-served system or other method which the department, in its discretion, may find beneficial for administration of the rebate; (9) provide that in any fiscal year, the total amount of state sales and use tax rebates paid pursuant to proposed law shall not exceed \$15,000,000; (10) stipulate that within the \$15,000,000 per fiscal year limit on rebates established by proposed law, the amount of rebates paid for purchases of equipment used to provide broadband communications service outside of an unserved area shall not exceed \$3,000,000 in any fiscal year. Provide that the purpose of this limitation is to reserve up to 80% of the total amount of authorized rebates as incentives for communications providers to furnish broadband communications service in unserved areas; (11) stipulate that if the total amount of rebates requested for a fiscal year exceeds the \$15,000,000 limit or \$3,000,000 limit provided in proposed law, the excess shall be treated as having been requested on the first day of the subsequent fiscal year; (12) prohibit the payment of any rebate authorized by proposed law after June 30, 2027; (13) provide that proposed law shall become effective on July 1, 2024; and (14) make technical changes.

Representative Farnum offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Emerson, Brass, Bamburg, Bayham, Billings, Farnum, Gallé, Henry, Mandie Landry, McMahan, Selders, and Wilder voted yea.

Representative Farnum offered a motion to report House Bill No. 827 with amendments. Without objection, House Bill No. 827 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Emerson, Brass, Bamburg, Bayham, Billings, Farnum, Gallé, Henry, Mandie Landry, McMahan, Selders, and Wilder voted yea.

Representative Emerson offered a motion to authorize staff to make necessary technical corrections on any adopted amendments for House Bill No. 827. Without objection, House Bill No. 827 authorize staff to make technical corrections as necessary by a vote of 12 yeas and 0 nays. Representatives Emerson, Brass, Bamburg, Bayham, Billings, Farnum, Gallé, Henry, Mandie Landry, McMahan, Selders, and Wilder voted yea.

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

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Gallé offered a motion to adjourn. Without objection, the motion passed by a vote of 12 yeas and 0 nays. Representatives Emerson, Brass, Bamburg, Bayham, Billings, Farnum, Gallé, Henry, Mandie Landry, McMahan, Selders, and Wilder voted yea.

The meeting was adjourned at 11:40 a.m.

Respectfully submitted,

Chairman Julie Emerson
House Committee on Ways and Means