

House Committee on Appropriations

Minutes of Meeting
2016 First Extraordinary Session
February 22, 2016

I. CALL TO ORDER

Representative Cameron Henry, Chairman of the House Committee on Appropriations, called the meeting to order at 9:14 a.m. in Room 5, in the State Capitol in Baton Rouge, Louisiana. The secretary called the roll.

II. ROLL CALL

MEMBERS PRESENT:

Representative Cameron Henry, Chairman
Representative Mark Abraham
Representative Beryl A. Amedée
Representative James K. Armes, III
Representative Tony Bacala
Representative John A. Berthelot
Representative Robert E. Billiot
Representative Gary M. Carter, Jr.
Representative Charles R. Chaney
Representative Rick Edmonds
Representative Franklin J. Foil, Vice Chairman
Representative Lance Harris
Representative Valarie Hodges
Representative Walt Leger, III
Representative Jack G. McFarland
Representative Blake Miguez
Representative Dustin Miller
Representative Steve E. Pylant
Representative Jerome Richard
Representative John M. Schroder, Sr.
Representative Scott M. Simon
Representative Jerome "Zee" Zeringue

MEMBERS ABSENT:

Representative Lawrence A. "Larry" Bagley
Representative Patricia Haynes Smith

STAFF MEMBERS PRESENT:

Ms. Penny B. Bouquet, Administrative Secretary
Mr. Peter G. E. Conroy, Legislative Analyst
Ms. Nancy Keaton, Legislative Analyst

ADDITIONAL ATTENDEES PRESENT:

None

III. DISCUSSION OF LEGISLATION**House Bill No. 42 by Representative Jay Morris**

Representative Morris presented House Bill No. 42, which requires certain contracting entities to submit information to the legislative auditor prior to contracting with a state agency or receiving state monies.

Representative Carter offered an amendment to require documentation of the percentage of minority, women, and local ownership of the contracting entity. He also offered a motion to adopt the amendment. Without objection, the amendment was adopted by a vote of 20 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Carter, Chaney, Edmonds, Foil, Harris, Hodges, Leger, McFarland, Miguez, Miller, Pylant, Richard, Simon, and Zeringue voted yea.

Representative Henry offered a set of amendments to delete "*no later than thirty days after*" and insert "*no less than thirty days prior to*", and offered a motion to adopt the amendments. Without objection, the amendments were adopted by a vote of 20 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Carter, Chaney, Edmonds, Foil, Harris, Hodges, Leger, McFarland, Miguez, Miller, Pylant, Richard, Simon, and Zeringue voted yea.

Ms. Liz Murrill, Civil Division Director for the Attorney General's office, 1885 North Third Street, Baton Rouge, LA 70802, (225) 326-6079, discussed House Bill No. 42.

Mr. Darryl G. Purpera, Legislative Auditor, P.O. Box 94397, Baton Rouge, LA 70804, (225) 339-3800, addressed the committee regarding House Bill No. 42.

There was no further discussion on the bill.

Representative Richard offered a motion to report House Bill No. 42 with amendments, to which there was no objection. House Bill No. 42 was reported with amendments by a vote of 20 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Carter, Chaney,

Edmonds, Foil, Harris, Hodges, Leger, McFarland, Miguez, Miller, Pylant, Richard, Simon, and Zeringue voted yea.

Present and in support of House Bill No. 42 was Treasurer John N. Kennedy, 900 North Third Street, Third Floor, Baton Rouge, LA 70802, (225) 342-0010.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 42 is available upon request.

Senate Bill No. 1 by Senator Martiny

Senator Martiny and Mr. Jay Cicero, President of Greater New Orleans Sports Foundation, 2020 St. Charles Avenue, New Orleans, LA 70150, (504) 525-5678, presented Senate Bill No. 1, which provides relative to the definition of qualified event or qualified major event, and site selection organizations for purposes of the Major Events Incentive Program.

There was no further discussion on this bill.

Representative Bacala offered a motion to report Senate Bill No. 1 favorably, to which there was no objection. Senate Bill No. 1 was reported favorably by a vote of 20 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Carter, Chaney, Edmonds, Foil, Harris, Hodges, Leger, McFarland, Miguez, Miller, Pylant, Richard, Simon, and Zeringue voted yea.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on Senate Bill No. 1 is available upon request.

House Concurrent Resolution No. 2 by Representative Lance Harris

Representative Harris presented House Concurrent Resolution No. 2, which directs the Commissioner of Administration, the Commissioner of Higher Education, and Statewide Elected Officials to review certain state contracts to identify any that can be terminated, and report to the Joint Legislative Committee on the Budget by March 1, 2016.

Representative Harris offered an amendment to insert "*Be it further resolved that all start boards and commissions are directed to provide information as requested to meet all requirements of this Resolution*". He also offered a motion to adopt the amendment. Without objection, the amendment was adopted by a vote of 20 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Carter, Chaney, Edmonds, Foil, Harris, Hodges, Leger, McFarland, Miguez, Miller, Pylant, Richard, Simon, and Zeringue voted yea.

Mr. Jay Dardenne, Commissioner of Administration, 1201 North Third Street, Suite 7-210, Baton Rouge, LA 70802, (225) 342-7000, and Treasurer Kennedy discussed House Concurrent Resolution No. 2.

Representative Bacala offered an amendment to insert "*to report to the Joint Legislative Committee on the Budget (JLCB), its preliminary findings, by March 1, 2016, and again on March 14, 2016, its final findings*". He also offered a motion to adopt the amendment. Without objection, the amendments were adopted by a vote of 18 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Gary Carter, Chaney, Edmonds, Foil, Harris, Hodges, McFarland, Miguez, Dustin Miller, Richard, Simon, and Zeringue voted yea.

There was no further discussion on the resolution.

Representative Hodges offered a motion to report House Concurrent Resolution No. 2 with amendments, to which there was no objection. House Concurrent Resolution No. 2 was reported with amendments by a vote of 18 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Gary Carter, Chaney, Edmonds, Foil, Harris, Hodges, McFarland, Miguez, Dustin Miller, Richard, Simon, and Zeringue voted yea.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Concurrent Resolution No. 2 is available upon request.

House Bill No. 96 by Representative Richard

Representative Richard presented House Bill No. 96, which provides for a 15% reduction of all state professional, personal, and consulting service contracts.

Treasurer Kennedy provided testimony regarding House Bill No. 96.

There was no further discussion on the bill.

Representative Hodges offered a motion to report House Bill No. 96 favorably, to which there was no objection. House Bill No. 96 was reported favorably by a vote of 18 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Carter, Chaney, Edmonds, Harris, Hodges, McFarland, Miguez, Miller, Pylant, Richard, Simon, and Zeringue voted yea.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 96 is available upon request.

House Bill No. 100 by Representative Talbot

Representative Talbot presented House Bill No. 100, which eliminates certain statutory dedications and eliminates certain dedications of certain funds. (See Exhibit A)

Representative Broadwater addressed the committee regarding House Bill No. 100.

Representative Edmonds offered an amendment to eliminate the repeal of the Pari-mutuel Live Racing Facility Gaming Control Fund (Gaming Control Fund), limit the amount of deposit into the New Orleans Sports Franchise Assistance Fund to \$3.1 million annually, and deposit all money remaining in the Gaming Control Fund at the end of the year into the State General Fund. He also offered a motion to adopt the amendment. Without objection, the amendment was adopted by a vote of 18 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Carter, Chaney, Edmonds, Harris, Hodges, McFarland, Miguez, Miller, Pylant, Richard, Simon, and Zeringue voted yea.

Representative Berthelot offered an amendment to restore the dedications from the 2% Fire Insurance Fund to the State Fire Marshall and Fire and Emergency Training Institute at Louisiana State University (LSU). He also offered a motion to adopt the amendment. Without objection, the amendment was adopted by a vote of 17 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Carter, Chaney, Edmonds, Hodges, McFarland, Miguez, Miller, Pylant, Richard, Simon, and Zeringue voted yea.

Representative Armes offered an amendment to remove the Video Draw Poker Device Purse Supplement Fund from House Bill No. 100.

Mr. Tony Patterson, Executive Director of the Louisiana Quarter Horse Breeders Association (LQHBA), 105 Carlyon Lane, Alexandria, LA 71315, (318) 487-6033; Mr. Benard K. Chatters, President of Louisiana Horsemen's Benevolent & Protective Association (LAHBPA), 2501 Luke Street, Lake Charles, LA 70605, (337) 540-9695; and Mr. Edwin Fenasei and Mr. John Duvieilh, LAHBPA, 1535 Gentilly Boulevard, New Orleans, LA 70119, (504) 945-1555, addressed the committee regarding the importance of their statutory dedicated funds and provided testimony in support of Representative Armes' amendments.

Dr. Mike Strain, Commissioner of the Department of Agriculture and Forestry, 5825 Florida Boulevard, Baton Rouge, LA 70806, (225) 922-1234, provided testimony in support of Representative Armes' amendments.

Representative Major Thibaut, 2004 False River Drive, New Roads, LA 70760, (225) 638-3811, provided testimony in support of Representative Armes' amendments.

The meeting recessed at 12:14 p.m. and reconvened at 1:34 p.m., resuming consideration of House Bill No. 100.

Representative Armes offered a motion to adopt the amendments. Without objection, the amendments were adopted by a vote of 18 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Hodges, McFarland, Miguez, Miller, Pylant, Schroder, and Simon voted yea.

Representative Simon offered an amendment to restore the revenue source from the State General Fund to be put back into the Now Waiver Fund. He also offered a motion to adopt the amendment. Without objection, the amendment was adopted by a vote of 21 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Harris, Hodges, McFarland, Miguez, Miller, Pylant, Richard, Schroder, Simon, and Zeringue voted yea.

Representative Simon offered a set of amendments to remove the Telecommunications for the Deaf Fund from the bill. He also offered a motion to adopt the amendment, to which Representative Hodges objected. The amendment was adopted by a vote of 17 yeas and 3 nays. Representatives Abraham, Armes, Bacala, Berthelot, Billiot, Carter, Chaney, Foil, Harris, McFarland, Miguez, Miller, Pylant, Richard, Schroder, Simon, and Zeringue voted yea. Representatives Amedée, Edmonds, and Hodges voted nay.

Representative McFarland offered an amendment to remove the Forest Protection Fund and the Louisiana Agricultural Finance Authority Fund from House Bill No. 100. He also offered a motion to adopt the amendment. Without objection, the amendment was adopted by a vote of 21 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Harris, Hodges, McFarland, Miguez, Miller, Pylant, Richard, Schroder, Simon, and Zeringue voted yea.

Representative Chaney offered an amendment to remove the Louisiana Emergency Response Network (LERN) Fund from House Bill No. 100. He also offered a motion to adopt the amendment. Without objection, the amendment was adopted by a vote of 20 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Harris, Hodges, McFarland, Miguez, Miller, Pylant, Richard, Schroder, and Zeringue voted yea.

Representative Chaney offered an amendment to remove the Marketing Education Retail Alliance (MERA) Fund from the bill.

Mr. Fred Burkett and Mr. Ricky Landry, Chairman, Louisiana Retailers Association, 4021 W.E. Heck Court, Suite H2, Baton Rouge, LA, (225) 344-9481, provided testimony in support of Representative Chaney's amendment.

Representative Chaney offered a motion to adopt the amendments, to which Representative Edmonds objected. The motion failed to pass by a vote of 4 yeas and 15 nays. Representatives Armes, Carter, Chaney, and McFarland voted yea. Representatives Abraham, Amedée, Bacala, Berthelot, Billiot, Edmonds, Foil, Harris, Hodges, Miguez, Miller, Pylant, Richard, Schroder, and Zeringue voted nay.

Representative Pylant offered a motion to end consideration of all amendments House Bill No. 100, to which Representative Carter objected. The motion failed to pass by a vote of 13 yeas and 6 nays. Representatives Abraham, Amedée, Bacala, Berthelot, Edmonds, Foil, Harris, Hodges, McFarland, Miguez, Pylant, Richard, and Zeringue voted yea. Representatives Armes, Billiot, Carter, Chaney, Miller, and Schroder voted nay.

Mr. Rodney Braxton, Southern University System Foundation, 543 Spanish Town Road, Baton Rouge, LA 70802, (225) 381-0166, provided testimony in opposition to House Bill No. 100.

There was no further discussion on the bill.

Representative Edmonds offered a motion to report House Bill No. 100 with amendments, to which Representative Carter objected. House Bill No. 100 was reported with amendments by a vote of 15 yeas and 3 nays. Representatives Abraham, Amedée, Bacala, Berthelot, Billiot, Chaney, Edmonds, Foil, Harris, Hodges, Miguez, Pylant, Richard, Schroder, and Zeringue voted yea. Representatives Armes, Carter, and Miller voted nay.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 100 is available upon request.

House Bill No. 44 by Representative Broadwater

Representative Broadwater presented House Bill No. 44, which eliminates certain statutory dedications and eliminates certain dedications of certain funds.

There was no further discussion on the bill.

Representative Schroder offered a motion to report House Bill No. 44 favorably, to which Representative Carter objected. House Bill No. 44 was reported favorably by a vote of 10 yeas and 9 nays. Representatives Henry, Armes, Edmonds, Foil, Harris, Hodges, Miguez, Pylant, Schroder, and Zeringue voted yea. Representatives Abraham, Amedée, Bacala, Berthelot, Billiot, Carter, Chaney, Miller, and Richard voted nay.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 44 is available upon request.

House Bill No. 45 by Representative Jay Morris

Representative Jay Morris presented House Bill No. 45, which eliminates certain statutory dedications and eliminates certain dedications of certain funds.

Representative Henry offered a motion to voluntarily defer action on House Bill No. 45. Without objection, action on House Bill No. 45 was voluntarily deferred by a vote of 19 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Harris, Hodges, Miguez, Miller, Pylant, Richard, Schroder, and Zeringue voted yea.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 45 is available upon request.

House Bill No. 63 by Representative Edmonds

Representative Edmonds presented House Bill No. 63, which eliminates certain statutory dedications and eliminates certain dedications of certain funds.

Representative Henry offered a motion to voluntarily defer action on House Bill No. 63. Without objection, action on House Bill No. 63 was voluntarily deferred by a vote of 19 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Armes, Bacala, Berthelot, Billiot, Gary Carter, Chaney, Edmonds, Foil, Harris, Hodges, Miguez, Miller, Pylant, Richard, Schroder, and Zeringue voted yea.

A copy of the witness cards for individuals (who were present, but did not testify) in support of, in opposition to, and to provide information on House Bill No. 63 is available upon request.

IV. OTHER BUSINESS**Department of Transportation and Development**

Mr. Daniel Waguespack, Budget Analyst for the House Fiscal Division, 900 North Third Street, Baton Rouge, LA 70804, (225) 342-7477, gave an overview and discussed the FY15-16 and FY16-17 budgets for the Department of Transportation and Development (DOTD).

Dr. Shawn Wilson, DOTD Secretary, 1201 Capitol Access Road, Baton Rouge, LA 70802, (225) 379-1232, gave introductory remarks and discussed the department's FY15-16 and FY16-17 budgets.

Dr. Wilson discussed, with Representative Bacala and Representative Schroder, DOTD's plans to reduce contracts with private entities, how it effects the State General Fund, and the Transportation Trust Fund (TTF).

Dr. Wilson discussed, with Representative Carter, the impact of the budget reduction to the Crescent City Transition Fund on the operation of the Algiers/Canal Street Ferry, and also discussed the bridge program with Representative Miguez.

Dr. Wilson discussed the percentage of project funding versus the overhead with Representative Henry.

Louisiana Workforce Commission

Mr. Blake Ruiz, Budget Analyst for the House Fiscal Division, 900 North Third Street, Baton Rouge, LA 70804, (225) 342-0474, gave an overview and discussed the FY15-16 and FY16-17 budgets for the Louisiana Workforce Commission (LWC).

Ms. Ava Dejoie, Executive Director for LWC, 1001 North 23rd Street, Baton Rouge, LA 70802, (225) 342-3001, gave introductory remarks and discussed the department's FY15-16 and FY16-17 budgets.

Ms. Dejoie discussed findings in the Legislative Auditor's report with Representative Zeringue.

Department of Civil Service

Mr. Chas Nichols, Budget Analyst for the House Fiscal Division, 900 North Third Street, Baton Rouge, LA 70804, (225) 342-2444, gave an overview and discussed the FY15-16 and FY16-17 budgets for the Department of Civil Service and those entities under the department's control.

Mr. Byron P. Decoteau, Jr., Director of the Department of Civil Service, 1201 North Third Street, Suite 3-280, Baton Rouge, LA 70802, (225) 925-1911, gave introductory remarks and discussed the department's FY15-16 and FY16-17 budget. (See Exhibit B)

Mr. Decoteau discussed, with Representative Berthelot, Civil Service rules for classified State employees.

Mr. Robert S. Lawrence, State Examiner, 8550 United Plaza Boulevard, Suite 901, Baton Rouge, LA 70809, discussed the FY15-16 budget for the Office of the State Examiner and Municipal Fire and Police.

Ms. Kathleen Allen, Ethics Administrator for the Louisiana Board of Ethics, 617 North Third Street, Suite 10-36, Baton Rouge, LA 70802, (22) 219-5600, gave an overview and discussed the FY15-16 and FY16-17 budgets for the Board of Ethics. (See Exhibit C)

Ms. Cathy Derbonne, Executive Director of the State Police Commission, 7979 Independence Boulevard, Suite 208, Baton Rouge, LA 70806, (225) 925-7057, gave introductory remarks and discussed the commission's FY15-16 and FY16-17 budgets.

Judge Tony Graphia, Chairman, and Mr. Cade R. Cole, Vice Chairman, Louisiana Board of Tax Appeals, 627 North Fourth Street, Baton Rouge, LA 70802, (225) 219-3145, gave introductory remarks and discussed the board's FY15-16 and FY16-17 budgets.

Mr. Cole discussed, with Representative Bacala and Representative Schroder, the differences between the Board of Tax Appeals and the Tax Commission.

Department of Revenue

Mr. Chris Keaton, Deputy Director for the House Fiscal Division, 900 North Third Street, Baton Rouge, LA 70804, (225) 342-1964, gave an overview and discussed the FY15-16 and FY16-17 budgets for the Department of Revenue.

Ms. Kimberly L. Robinson, Secretary of Revenue, and Mr. Andrew Perilloux, Undersecretary of Revenue, 617 North Third Street, Baton Rouge, LA 70802, (225) 219-2717, and Mr. Barry Dussé, Director of the Office of Planning and Budget, 1201 North Third Street, Suite 7-150, Baton Rouge, LA 70802, (225) 342-7005 discussed, with Representative Schroder, the department's fees and self-generated revenue. (See Exhibit D)

Ms. Robinson discussed, with Representative Amedée, the impact of budget reductions on customer service within the department.

Mr. Dussé and Ms. Robinson discussed, with Representative Berthelot and Representative Henry, the department's use of funds from the Amnesty Fund.

Mr. R. Jay Frost, Assistant Secretary of the Department of Revenue, 617 North Third Street, Baton Rouge, LA 70802, (225) 219-2150 discussed the department's audit process and collections with Representative Bacala.

Ms. Robinson and Mr. Dardenne discussed the State's tax incentive programs with Representative Zeringue.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Amedée offered a motion to adjourn, to which there was no objection. The motion passed by a vote of 22 yeas and 0 nays. Representatives Abraham, Amedée, Armes, Bacala, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Harris, Henry, Hodges, Leger, McFarland, Miguez, Miller, Pylant, Richard, Schroder, Simon, and Zeringue voted yea.

The meeting was adjourned at 4:21 p.m.

Respectfully submitted,

Chairman Cameron Henry
House Committee on Appropriations