

House Committee on Ways and Means

Minutes of Meeting
2022 Regular Session
March 29, 2022

I. CALL TO ORDER

Representative Stuart J. Bishop, chairman of the House Committee on Ways and Means, called the meeting to order at 9:01 a.m. in Room 6, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Stuart J. Bishop, chairman
Representative Gerald "Beau" Beaulieu, IV, vice chairman
Representative Ryan Bourriaque
Representative Marcus Anthony Bryant
Representative Rhonda Gaye Butler
Representative Phillip R. DeVillier
Representative Les Farnum
Representative Jeremy S. LaCombe
Representative Mandie Landry
Representative Tanner D. Magee
Representative Wayne McMahan
Representative Buddy Mincey, Jr.
Representative Joseph A. Orgeron
Representative Tammy T. Phelps
Representative Neil Riser
Representative Laurie Schlegel
Representative Malinda B. White
Representative Matthew Willard

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Brittany Lea, committee administrative assistant
Alison Pryor, senior attorney
Claire Vermaelen, capital outlay specialist

ADDITIONAL ATTENDEES PRESENT:

Janet Anthony, sergeant at arms
Rebecca Marshall, sergeant at arms

III. DISCUSSION OF LEGISLATION**House Bill No. 157 by Representative Bourriaque**

Representative Bourriaque presented House Bill No. 157, which provides relative to tax sale title.

Representative Bourriaque offered a motion to report House Bill No. 157 favorably. Without objection, House Bill No. 157 was reported favorably by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, Landry, Magee, McMahan, Mincey, Orgeron, Riser, Schlegel, and Willard 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.

House Bill No. 287 by Representative Willard

Representative Willard presented House Bill No. 287, which requires the annual occupational license tax levied on certain computer programming businesses to be set at a flat rate.

Representative Bishop offered a motion to report House Bill No. 287 favorably. Without objection, House Bill No. 287 was reported favorably by a vote of 13 yeas and 0 nays. Representatives Bishop, Bourriaque, Bryant, DeVillier, Farnum, Landry, Magee, McMahan, Mincey, Orgeron, Riser, Schlegel, 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.

Statements submitted by individuals 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. 485 by Representative Marcelle

Representative Marcelle presented House Bill No. 485, which provides relative to the collection of certain criminal fines, fees, and costs.

Ms. Sarah Wittington, Justice & Accountability Center of Louisiana, 4035 Washington Avenue, New Orleans, LA 70125, (504) 322-4050, spoke in support of House Bill No. 485.

Mr. Kevin Richard, secretary, Louisiana Department of Revenue (DOR), 617 North 3rd Street, Baton Rouge, LA 70802, (225) 819-9971, spoke for information only on House Bill No. 485.

Mr. Luke Morris, deputy secretary, Louisiana Department of Revenue (DOR), 617 North 3rd Street, Baton Rouge, LA 70802, (225) 219-4059, spoke for information only on House Bill No. 485.

Representative Magee offered amendments which: (1) delete provisions of proposed law that exempt debt that originates from a criminal fine, fee, or cost from additional collection fees by the office; (2) limit the additional collection fee authorized by present law for any debt that originated from a criminal fine, fee, or cost to no more than 10% of the total liability of the final debt; (3) removed proposed law repeal of present law provisions authorizing the secretary of DOR to contract with the attorney general's office or a third-party collection contractor for the collection of delinquent debt on behalf of the office; and (4) removed proposed law repeal of present law provisions requiring any contract entered into with a third-party collector to be subject to review by the Cash Management Review Board and authority for the legislative auditor to conduct audits of these contracts.

Representative Magee offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 16 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, LaCombe, Landry, Magee, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, White, and Willard voted yea.

Representative Magee offered a motion to report House Bill No. 485 with amendments. Without objection, House Bill No. 485 was reported with amendments by a vote of 17 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, Magee, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 10 in support and 1 for information only. Witness cards are included in the committee records.

Statements submitted by individuals 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. 681 by Representative Schexnayder

Representative Schexnayder presented House Bill No. 681, a constitutional amendment which provides relative to state and local sales and use taxes.

Representative Bishop offered amendments which: (1) change the name of the commission from the Streamlined Sales and Use Tax Commission to the State and Local Streamlined Sales and Use Tax Commission; (2) provide that present constitution provisions related to the local collection of sales and use taxes shall cease to be effective and shall be inapplicable and inoperable for the limited purposes of the proposed constitutional amendment when statutory provisions enacted pursuant to proposed law become effective; (3) require the commission to be funded by both state and local sales and use tax revenues collected and deemed by the commission to be reasonable and necessary costs of the administration and collection of sales and use taxes; and (4) provide that when the La. Sales and Use Tax Commission for Remote Sellers and the La. Uniform Local Sales Tax Board are abolished one year after the first meeting of the commission, all references in law to these entities shall be deemed to apply to the commission and all books, papers, records, actions, property, and employees of these entities shall be transferred to the commission.

Representative Bishop offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 16 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, LaCombe, Landry, Magee, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, White, and Willard voted yea.

Representative Gerald Beaulieu, IV, District No. 48, 209 West Main Street, 4th Floor, Suite 403, New Iberia, LA 70560, (337) 373-4051, spoke in sponsorship of this measure.

Mr. Jason DeCuir, chairman, Centralized Sales and Use Tax Administration Study Group, 440 North 3rd Street, Baton Rouge, LA 70802, (225) 769-1818, spoke in support of House Bill No. 681.

Representative Schlegel offered a motion to report House Bill No. 681 with amendments. Without objection, House Bill No. 681 was reported with amendments by a vote of 15 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 15 in support. Witness cards are included in the committee records.

House Bill No. 3 by Representative Bishop

Representative Beaulieu in the chair.

Representative Bishop presented House Bill No. 3, which provides for the Omnibus Bond Act.

Representative Bishop offered a motion to report House Bill No. 3 favorably. Without objection, House Bill No. 3 was reported favorably by a vote of 13 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, Phelps, White, and Willard voted yea.

House Bill No. 276 by Representative Bishop

Representative Bishop presented House Bill No. 276, which provides relative to franchise fee audits and dispute resolution of certain video service providers.

Representative Riser in the chair.

Representative Bishop offered amendments which: (1) delete provisions in proposed law authorizing the secretary of state to audit, file suit, and resolve disputes relating to franchise fee payments; (2) exclude video programming accessed via a service that enables users to access content, information, e-mail, or other services offered over the internet, including streaming content, from the definition of "cable service"; and (3) exclude streaming content from the definition of "video service".

Representative Bishop 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, Bourriaque, Butler, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, Phelps, Riser, White, and Willard voted yea.

Ms. Kathleen Owen, attorney, Dish Network and DirecTV, 2121 Main Street, Wheeling, WV 26003, (304) 312-3067, spoke in support of House Bill No. 276.

Mr. Randy Haynie, Dish and DirecTV, P.O. Box 44032, Baton Rouge, LA 70804, (225) 336-4143, spoke in support of House Bill No. 276.

Ms. Karen White, executive counsel, Louisiana Municipal Association (LMA), 700 North 10th Street, Baton Rouge, LA 70802, (225) 344-5001, spoke in opposition to House Bill No. 276.

Representative Riser offered a motion to report House Bill No. 276 with amendments. Without objection, House Bill No. 276 was reported with amendments by a vote of 15 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Butler, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, Phelps, Riser, 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.

House Bill No. 350 by Representative Hilferty

On behalf of Representative Hilferty, Representative Willard presented House Bill No. 350, which establishes a tax checkoff box for the University of New Orleans Foundation.

Representative Bishop offered a motion to report House Bill No. 350 favorably. Without objection, House Bill No. 350 was reported favorably by a vote of 15 yeas and 0 nays. Representatives Bishop,

Beaulieu, Bourriaque, Butler, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, Phelps, Riser, White, and Willard 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.

House Bill No. 395 by Representative Willard

Representative Willard presented House Bill No. 395, a constitutional amendment which removes the requirement that certain property owners annually certify income to receive the special assessment level for ad valorem property taxes.

Representative Beaulieu in the chair.

Mr. Erroll Williams, Orleans Parish Assessor's Office, 1300 Perdido Street, New Orleans, LA 70112, (504) 658-1313, spoke in support of House Bill No. 395.

Representative Willard offered a motion to report House Bill No. 395 favorably. Without objection, House Bill No. 395 was reported favorably by a vote of 11 yeas and 0 nays. Representatives Beaulieu, Butler, DeVillier, LaCombe, McMahan, Mincey, Orgeron, Phelps, Riser, White, and Willard voted yea.

IV. OTHER BUSINESS

1. Presentation by the Office of Facility Planning and Control with regard to capital outlay

Mr. Mark Moses, assistant commissioner, Division of Administration, P.O. Box 94095, Baton Rouge, LA 70802, (225) 342-9654, presented a PowerPoint and provided a handout entitled "The 2022 Capital Outlay Bill", Exhibit C, which is included in the committee records.

Mr. Moses discussed the amount of projects, general obligation bonds, cash-line-of-credit, and overall capacity with regard to House Bill No. 2.

Representative Beaulieu and Mr. Moses discussed deferred maintenance projects that monies had been allocated in previous years, but had not yet been spent.

Representative White and Mr. Moses discussed safety concerns of building structures at several universities and if there would be recommended funding to bring the buildings up to code.

Representative DeVillier and Mr. Moses discussed the capital outlay process with regard to deferred maintenance and major repairs on campus buildings.

2. To discuss capital outlay project requests and funding for University of Louisiana System

Dr. Jim Henderson, University of Louisiana (UL) System, 1201 North 3rd Street, Suite 7-300, Baton Rouge, LA 70802, (318) 426-7104, provided a handout entitled "University of Louisiana System FY 23 Strategic Investments", Exhibit A, which is included in the committee records.

Dr. Henderson stated that the UL System includes nine universities and has an annual economic impact of \$10.9 billion in Louisiana.

Representative Beaulieu and Dr. Henderson discussed deferred and neglected maintenance and the planning involved for these types of maintenance.

Representative LaCombe thanked Dr. Henderson for his leadership.

Representative LaCombe and Dr. Henderson discussed the condition of Kyser Hall and how initially constructing a building correctly, with the required equipment, could ultimately save money.

Representative Mincey and Dr. Henderson discussed the meaning of enterprise resource planning (ERP) system upgrades and hurricane recovery for FY 23-24.

Representative Beaulieu and Dr. Henderson discussed the reduction rate of university enrollments due to the impact of natural disasters, such as hurricanes.

Representative LaCombe and Dr. Henderson discussed how the recent census data indicated a reduction in population and the possibility of how the legislature could assist in attracting students when experiencing a population decrease by properly investing in higher education.

Representative LaCombe and Dr. Henderson discussed out-of-state tuition.

Representative Riser and Dr. Henderson discussed the decrease in Louisiana birth rates and how it could impact universities in the future.

3. To discuss capital outlay project requests and funding for Southern University and A&M College

Dr. Ray Belton, president, Southern University System (SUS), 801 Harding Boulevard, Baton Rouge, LA 70807, (225) 771-4680, discussed and provided a handout entitled "SUS System Top Deferred Maintenance Priorities", Exhibit B, which is included in the committee records.

Dr. Belton stated that the Board of Regents prioritized deferred maintenance intentions for all institutions at Southern University that totals approximately \$76 million. When discussing the

budget and reoccurring cuts, Dr. Belton shared that both deferred maintenance and student support services are minimized in order to maintain the integrity of Southern's academic program.

Representative White and Dr. Belton discussed the safety of students being the number one priority for Southern University and how the erosion on the Baton Rouge campus, due to water coming from the Mississippi River, has been an issue for years, and the Student Health Center is most vulnerable.

Representative Willard and Dr. Belton discussed three priorities which included: repairing the Mississippi bluff, a new STEM facility, and exterior lighting on campus for Southern University of New Orleans.

Representative Phelps and Dr. Belton discussed the Department of Transportation and Development's (DOTD) permanent plan to add infrastructure which will be a long-range solution for the erosion damage.

Dr. Belton stated that the federal dollars SUS received to enhance academic programs will now be used to renovate buildings out of necessity, in order to honor the schools priority and value of student safety.

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

4. To discuss capital outlay project requests and funding for Louisiana Coastal Protection and Restoration Authority

Mr. Chip Kline, chairman, Coastal Protection and Restoration Authority (CPRA), P.O. Box 44027, Baton Rouge, LA 70804, (225) 342-7308, presented a PowerPoint and provided a handout entitled "Capital Outlay Overview", Exhibit D, which is included in the committee records.

Ms. Janice Lansing, chief financial officer, and Mr. Bren Haase, executive director, Coastal Protection and Restoration Authority (CPRA), 150 Terrace Drive, Baton Rouge, LA 70802, (225) 342-2179, accompanied Mr. Kline at the witness table and was available to answer members' questions.

Mr. Kline stated that CPRA's two main priority projects include the Houma Navigation Canal Lock and the West Shore Lake Pontchartrain.

Representative Beaulieu and Mr. Kline discussed the Natural Resources Restoration Trust Fund.

Representative Orgeron and Mr. Kline discussed the time line for the determination of whether Maurepas will satisfy the mitigation requirements for West Shore Lake Pontchartrain.

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

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

The meeting was adjourned at 12:32 p.m.

Respectfully submitted,

Chairman Stuart J. Bishop
House Committee on Ways and Means