

House Committee on Ways and Means

Minutes of Meeting
2022 Regular Session
May 2, 2022

I. CALL TO ORDER

Representative Stuart J. Bishop, chairman of the House Committee on Ways and Means, called the meeting to order at 9:00 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 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:

Representative Rhonda Gaye Butler

STAFF MEMBERS PRESENT:

Brittany Lea, committee administrative assistant
Alison Pryor, senior attorney

ADDITIONAL ATTENDEES PRESENT:

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

III. DISCUSSION OF LEGISLATION**House Bill No. 965 by Representative Stefanski**

On behalf of Representative Stefanski, Representative Bishop offered a motion to voluntarily defer action on House Bill No. 965, which grant the Board of Tax Appeals jurisdiction over certain suits instituted by taxpayers dissatisfied with certain final determinations by the Louisiana Tax Commission. Without objection, action on House Bill No. 965 was voluntarily deferred by a vote of 11 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, McMahan, Mincey, Phelps, Riser, Schlegel, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support and 1 in opposition. Witness cards are included in the committee records.

House Bill No. 992 by Representative Beaulieu

Representative Beaulieu offered a motion to voluntarily defer action on House Bill No. 992, which authorizes the Louisiana Tax Commission to hear claims for the refund of ad valorem property taxes erroneously paid on public service properties. Without objection, action on House Bill No. 992 was voluntarily deferred by a vote of 11 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, McMahan, Mincey, Phelps, Riser, Schlegel, and Willard voted yea.

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

Senate Bill No. 217 by Senator Jackson

On behalf of Senator Jackson, Representative Echols presented Senate Bill No. 217, which exempts the lease, rental, or purchase of tangible personal property or services by the Edward Via College of Osteopathic Medicine (VCOM) from local sales tax.

Representative Bishop offered a motion to report Senate Bill No. 217 favorably. Without objection, Senate Bill No. 217 was reported favorably by a vote of 11 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, McMahan, Mincey, Phelps, Riser, Schlegel, and Willard voted yea.

Representative Bourriaque in the chair.

Senate Bill No. 85 by Senator Cortez

On behalf of Senator Cortez, Representative Bishop presented Senate Bill No. 85, which creates an individual income tax refund checkoff donation for Maddie's Footprints.

Representative Bourriaque offered a motion to report Senate Bill No. 85 favorably. Without objection, Senate Bill No. 85 was reported favorably by a vote of 12 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, and Willard voted yea.

Chairman Bishop in the chair.

Senate Bill No. 371 by Senator Harris

On behalf of Senator Harris, Representative Willard presented Senate Bill No. 371, which establishes an individual income tax refund checkoff donation for the University of New Orleans Foundation.

Representative Mincey offered amendments to establish an income tax checkoff pursuant to which an individual can donate all or a portion of his state income tax refund to the University of Southeastern La. Foundation in lieu of that amount being paid as a refund. Representative Mincey 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, DeVillier, Farnum, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, and Willard voted yea.

Representative Willard offered a motion to report Senate Bill No. 371 with amendments. Without objection, Senate Bill No. 371 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, and Willard voted yea.

House Bill No. 438 by Representative Bacala

Representative Bacala presented House Bill No. 438, which reduces the rate of the state sales and use tax.

Representative DeVillier offered amendments to change the reduction in the temporary state sales tax rate from a one-time reduction of .010% to a 0.30% reduction over a two-year period beginning July 1, 2023, through June 30, 2025, by reducing the rate 0.15% each year beginning on July 1 of each year. 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,

Bourriaque, Bryant, DeVillier, LaCombe, McMahan, Orgeron, Riser, Schlegel, and Willard voted yea.

Representative DeVillier offered a motion to report House Bill No. 438 with amendments. Without objection, House Bill No. 438 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Bishop, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, McMahan, Orgeron, Riser, Schlegel, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 4 in support and 3 in opposition. Witness cards are included in the committee records.

House Bill No. 907 by Representative Tarver

Representative Tarver presented House Bill No. 907, which provides for resident custodians on adjudicated property.

Mr. Michael Hollier, executive director, Southwest Louisiana Regional Planning, 4310 Ryan Street, Lake Charles, LA 70605, (337) 412-9360, spoke in support of House Bill No. 907.

Representative Beaulieu in the chair.

Representative Beaulieu offered a motion to voluntarily defer action on House Bill No. 907. Without objection, action on House Bill No. 907 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 4 in support. Witness cards are included in the committee records.

House Concurrent Resolution No. 50 by Representative Newell

Representative Newell presented House Concurrent Resolution No. 50, which requests a study of the practicality and feasibility of phasing-in property tax increases when a property's assessed value increases after reassessment by a percentage of less than fifty percent of the previous year's assessed value.

Mr. Erroll G. Williams, tax assessor, Orleans Parish Assessor's Office, 1300 Perdido Street, New Orleans, LA 70112, (504) 658-1313, spoke in support of House Concurrent Resolution No. 50.

Representative Bryant offered conceptual amendments which: (1) require the chairmen of the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs to establish a joint subcommittee composed of not more than three members of each respective

committee to study the issue rather than the entire membership of both committees; (2) require the joint subcommittee to report its findings and recommendations to the legislature prior to the commencement of the 2023 R.S.; and (3) require the chairman of the House Committee on Ways and Means to call the first meeting of the joint subcommittee and, at such meeting, require the members of the joint subcommittee to select a member to serve as its chairman and to select any other officers deemed necessary.

Representative Bryant offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 15 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, White, and Willard voted yea.

Representative Bryant offered a motion to report House Concurrent Resolution No. 50 with amendments. Without objection, House Concurrent Resolution No. 50 was reported with amendments by a vote of 15 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, 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: 1 in support. Witness cards are included in the committee records.

House Bill No. 1018 by Representative Edmonds

Representative Edmonds presented House Bill No. 1018, which establishes the Temporary Sales Tax Fund and provides for deposit of certain state sales tax revenue into the fund.

Representative Beaulieu offered amendments to exempt monies dedicated pursuant to present law (R.S. 48:77) from proposed law. Representative Beaulieu offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 13 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, Mincey, Orgeron, Phelps, Riser, Schlegel, and White voted yea.

Representative Beaulieu offered amendments which:

- (1) Establish four separate subfunds within the Temporary Sales Tax Fund for deposit of the avails of the proceeds of the .45% state sales and use tax and the use of the proceeds of the tax as follows:
 - (a) Lake Charles Bridge Subfund - 30% of the monies in the fund, not to exceed \$100,000,000 each year, to be appropriated to DOTD to be used solely for direct costs associated with actual project delivery, construction, and maintenance of the I-10 bridge in the greater Lake Charles area.

- (b) Baton Rouge Bridge Subfund - 50% of the monies in the fund, not to exceed \$166,666,667 each year, to be appropriated to DOTD solely for direct costs associated with actual project delivery, construction, and maintenance of a new bridge in the greater Baton Rouge area.
 - (c) I-49 Projects Subfund - 20%, not to exceed \$66,666,667 each year, to be appropriated to DOTD solely for direct costs associated with the expansion of the I-49 south corridor.
 - (d) Non-Federal Eligible Highway Program Subfund - additional monies after a subfund meets its annual maximum amount that would have been deposited into a subfund to be appropriated to DOTD solely for direct costs associated with actual project delivery, construction, and maintenance of highways in the Non-Federal Eligible Highway Program;
- (2) Limit the maximum amount of monies that may be deposited into each subfund to deposits from the avails of the .45% state sales and use tax and not to monies deposited into the subfund through donation, appropriation, or funds transfer; and
 - (3) Change the effective date of proposed law from signature of the governor or lapse of time for gubernatorial action to July 1, 2022.

Representative Beaulieu offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, Mincey, Orgeron, Riser, Schlegel, and White voted yea.

Mr. Jan Moller, director, Louisiana Budget Project (LBP), 617 Jefferson Highway, Baton Rouge, LA 70806, (225) 819-7715, spoke in opposition to House Bill No. 1018.

Representative LaCombe offered a motion to report House Bill No. 1018 with amendments, to which Representative Phelps objected. The administrative assistant called the roll, and House Bill No. 1018 was reported with amendments by a vote of 12 yeas and 2 nays. Representatives Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, Riser, and Schlegel voted yea. Representatives Phelps and White voted nay.

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

Senate Bill No. 242 by Senator Allain

Senator Allain presented Senate Bill No. 242, which provides relative to interest and penalties applicable to local sales and use tax.

Representative Riser offered a motion to report Senate Bill No. 242 favorably. Without objection, Senate Bill No. 242 was reported favorably by a vote of 13 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, Mincey, Orgeron, Phelps, Riser, Schlegel, and White voted yea.

Witness cards submitted by individuals who did not speak are as follows: 4 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.

Senate Bill No. 293 by Senator Allain

Senator Allain presented Senate Bill No. 293, which creates a state sales tax rebate for the purchase of certain agricultural fencing materials by commercial farmers.

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 Senate Bill No. 293.

Representative Farnum offered a motion to report Senate Bill No. 293 favorably. Without objection, Senate Bill No. 293 was reported favorably by a vote of 13 yeas and 0 nays. Representatives Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, Landry, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, and White 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.

House Bill No. 972 by Representative Phelps

Representative Phelps presented House Bill No. 972, which establishes an amnesty program for fines, fees, and assessments imposed by state agencies.

Representative Phelps offered amendments in the form of a substitute bill. Representative Phelps offered a motion to adopt the substitute bill. Without objection, the amendments were adopted by a vote of 11 yeas and 0 nays. Representatives Beaulieu, Bourriaque, DeVillier, LaCombe, Landry, McMahan, Mincey, Orgeron, Phelps, Schlegel, and White voted yea.

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. 972.

Mr. Kevin Richard, 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. 972.

Ms. Deborah Vivien, chief economist, Legislative Fiscal Office (LFO), 900 North 3rd Street, 18th floor, Baton Rouge, LA 70802, (225) 342-7233, spoke for information only on House Bill No. 972.

Representative Phelps offered a motion to voluntarily defer action on House Bill No. 972. Without objection, action on House Bill No. 972 was voluntarily deferred by a vote of 16 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, 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: 1 for information only. Witness cards are included in the committee records.

Representative Riser in the chair.

House Bill No. 925 by Representative Butler

On behalf of Representative Butler, Representative Beaulieu presented House Bill No. 925, which establishes the Louisiana Infrastructure Revolving Loan Program to provide financial assistance to local governments and political subdivisions for certain capital infrastructure projects.

Representative Beaulieu offered amendments which: (1) remove authorization for local governments to apply for funding through the Infrastructure Revolving Loan Program to fund match requirements for eligible infrastructure projects; and (2) delete provisions regarding the taxability of interest on bonds or loans issued pursuant to the Infrastructure Revolving Loan Program.

Representative Beaulieu 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, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, Phelps, Riser, Schlegel, White, and Willard voted yea.

Representative McMahan offered a motion to report House Bill No. 925 with amendments. Without objection, House Bill No. 925 was reported with amendments by a vote of 13 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, LaCombe, McMahan, Mincey, Orgeron, Riser, Schlegel, White, and Willard voted yea.

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

Senate Bill No. 129 by Senator Morris

On behalf of Senator Morris, Representative Beaulieu presented Senate Bill No. 129, which exempts certain infused or injected prescription drugs from local sales tax.

Mr. Pete Martinez, Novartis, 1155 Aberdeen Avenue, Baton Rouge, LA 70808, (225) 252-5362, spoke in support of Senate Bill No. 129.

Representative McMahan offered conceptual amendments to add granulomatosis with polyangiitis to the list of diseases and conditions that qualify for the local sales and use tax exemption. Representative McMahan 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, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, McMahan, Mincey, Orgeron, Riser, Schlegel, White, and Willard voted yea.

Representative Bishop offered a motion to report Senate Bill No. 129 with amendments. Without objection, Senate Bill No. 129 was reported with amendments by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, McMahan, Mincey, Orgeron, Riser, Schlegel, White, and Willard 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.

House Bill No. 631 by Representative Green

On behalf of Representative Green, Representative Beaulieu offered a motion to voluntarily defer action on House Bill No. 631, which provide for certain changes or corrections of assessment by the tax commission. Without objection, action on House Bill No. 631 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, McMahan, Mincey, Orgeron, Riser, Schlegel, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support and 8 in opposition. Witness cards are included in the committee records.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no other announcements.

VI. ADJOURNMENT

Representative Bryant offered a motion to adjourn. Without objection, the motion passed by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, McMahan, Mincey, Orgeron, Riser, Schlegel, White, and Willard voted yea.

The meeting was adjourned at 12:15 p.m.

Respectfully submitted,

Chairman Stuart J. Bishop
House Committee on Ways and Means