

House Committee on Ways and Means

Minutes of Meeting
2023 Regular Session
April 24, 2023

I. CALL TO ORDER

Representative Stuart J. Bishop, chairman of the House Committee on Ways and Means, called the meeting to order at 9:02 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
Drew Murray, legislative analyst
Alison Pryor, senior attorney

ADDITIONAL ATTENDEES PRESENT:

Janet Anthony, sergeant at arms
Angela McKnight, sergeant at arms

III. DISCUSSION OF LEGISLATION**House Bill No. 62 by Representative Bacala**

Representative Bacala presented House Bill No. 62, which reduces the rate of the state sales and use tax.

Representative DeVillier offered a motion to report House Bill No. 62 favorably, to which Representative Magee objected. The administrative assistant called the roll, and House Bill No. 62 was reported favorably by a vote of 9 yeas and 4 nays. Representatives Bishop, Beaulieu, Bourriaque, DeVillier, Farnum, Mincey, Orgeron, Schlegel, and White voted yea. Representatives Bryant, Landry, Magee, and Willard voted nay.

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. 249 by Representative Turner

Representative Turner presented House Bill No. 249, which exempts prescription drugs and insulin from local sales and use taxes.

Mr. Kevin Richard, secretary, Louisiana Department of Revenue (DOR), 617 North 3rd Street, Baton Rouge, Louisiana 70802, (225) 219-4059, spoke for information only on House Bill No. 249.

Ms. Debbie Vivien, chief economist, Legislative Fiscal Office (LFO), 900 North 3rd Street, 18th floor, Baton Rouge, Louisiana 70804, (225) 342-7233, spoke for information only on House Bill No. 249.

Representative Beaulieu in the chair.

Ms. Tiffani Delapasse, revenue manager, East Baton Rouge Parish, 222 St. Louis Street, Baton Rouge, Louisiana 70802, (225) 389-3084, spoke for information only on House Bill No. 249 and provided a handout, Exhibit A, which is included in the committee records.

Mr. Drew Talbot, attorney, Louisiana Association of Tax Administrators (LATA), 8480 Bluebonnet Boulevard, Suite D, Baton Rouge, Louisiana 70810, spoke in opposition to House Bill No. 249.

Representative Bishop offered a motion to report House Bill No. 249 favorably. Without objection, House Bill No. 249 was reported favorably by a vote of 12 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, Landry, Magee, Orgeron, Schlegel, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 12 in support and 14 in opposition. Witness cards are included in the committee records.

House Bill No. 107 by Representative Turner

On behalf of Representative Turner, Representative Bishop offered a motion to voluntarily defer action on House Bill No. 107, which provides for a local sales and use tax exemption for the procurement or administration of certain prescription drugs. Without objection, action on House Bill No. 107 was voluntarily deferred by a vote of 13 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, Landry, Magee, Mincey, Orgeron, Schlegel, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 12 in support, 10 in opposition, and 1 for information only. Witness cards are included in the committee records.

House Bill No. 502 by Representative McFarland

On behalf of Representative McFarland, Representative Bishop offered a motion to voluntarily defer action on House Bill No. 502, which modifies the definition of the term commercial farmer by removing certain reporting requirements. Without objection, action on House Bill No. 502 was voluntarily deferred by a vote of 13 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, Landry, Magee, Mincey, Orgeron, 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. 562 by Representative Schexnayder

Representative Schexnayder presented House Bill No. 562, which provides relative to the Motion Picture Production Tax Credit.

Representative Bishop offered amendments which: (1) expand the definition of a "Louisiana promotional graphic"; (2) remove provision that would have eliminated the alternative marketing option for productions submitting an application on or after July 1, 2023; (3) remove provision that would have eliminated the \$150M Dept. of Economic Development program issuance cap; (4) add provision that specifies that the 20% allotment of the \$150M Dept. of Economic Development

program issuance cap in present law reserved for qualified entertainment companies (QEC), La. screenplay productions, and independent film productions shall not apply to state-certified productions and QEC applications submitted on or after July 1, 2023; and (5) delete the repeal of the sunset provision of this tax credit in favor of extending the sunset from July 1, 2025, to July 1, 2035.

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, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, Magee, Mincey, Orgeron, Schlegel, White, and Willard voted yea.

Mr. Trey Burvant, president, Louisiana Film Entertainment Association (LFEA), 800 Richard Street, New Orleans, Louisiana 70130, (504) 784-2274, spoke in support of House Bill No. 562.

Mr. Jason A. Waggenspack, founder and CEO, Ranch Film Studios, 8301 West Judge Perez Drive, Chalmette, Louisiana 70043, (504) 683-2200, spoke in support of House Bill No. 562.

Mr. Chris Stelly, executive director of Louisiana entertainment, Louisiana Economic Development (LED), 617 North 3rd Street, Baton Rouge, Louisiana 70802, (225) 342-5555, spoke for information only on House Bill No. 562.

Mr. Noah O'Dell, economist, Legislative Fiscal Office (LFO), 900 North 3rd Street, 18th floor, Baton Rouge, Louisiana 70804, (225) 342-7233, spoke for information only on House Bill No. 562.

Ms. Debbie Vivien, chief economist, Legislative Fiscal Office (LFO), 900 North 3rd Street, 18th floor, Baton Rouge, Louisiana 70804, (225) 342-7233, spoke for information only on House Bill No. 562.

Mr. Kevin Richard, secretary, Louisiana Department of Revenue (DOR), 617 North 3rd Street, Baton Rouge, Louisiana 70802, (225) 219-4059, spoke for information only on House Bill No. 562.

Representative Schlegel offered a motion to report House Bill No. 562 with amendments. Without objection, House Bill No. 562 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, Orgeron, Schlegel, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 143 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: 115 in support. Copies of these statements are included in the committee records.

House Bill No. 436 by Representative Travis Johnson

Representative Travis Johnson presented House Bill No. 436, which provides a state sales tax exemption for certain farmers for acquisition of renewable energy systems and items and services for energy efficiency improvements.

Representative Bishop offered amendments to terminate the tax exemption provided for in proposed law on January 1, 2026. Representative Bishop 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, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Mincey, Orgeron, White, and Willard voted yea.

Mr. Stephen Wright, executive director, Gulf States Renewable Energy Industry Association (GSREIA), 695 Kiskatom Lane, Mandeville, Louisiana 70471, (318) 663-3810, spoke in support of House Bill No. 436.

Representative Mincey offered amendments to specify the paragraph of law within R.S. 47:301 in which the term "commercial farmer" is defined for purposes of proposed law. Representative Mincey 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, Landry, Magee, McMahan, Mincey, Orgeron, White, and Willard voted yea.

Representative Bishop offered a motion to voluntarily defer action on House Bill No. 436. Without objection, action on House Bill No. 436 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, Magee, McMahan, Mincey, Orgeron, 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.

House Bill No. 157 by Representative DeVillier

Representative DeVillier presented House Bill No. 157, which exempts certain business utilities from a state sales and use tax levy.

Representative DeVillier offered a motion to voluntarily defer action on House Bill No. 157. Without objection, action on House Bill No. 157 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, Magee, McMahan, Mincey, Orgeron, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 3 in support and 1 in opposition. Witness cards are included in the committee records.

House Bill No. 203 by Representative DeVillier

Representative DeVillier presented House Bill No. 203, a constitutional amendment which provides relative to state sales and use tax exemptions for food for home consumption, residential utilities, and prescription drugs.

Representative DeVillier offered a motion to voluntarily defer action on House Bill No. 203. Without objection, action on House Bill No. 203 was voluntarily deferred by a vote of 14 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, Magee, McMahan, Mincey, Orgeron, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 4 in opposition. 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 opposition. Copies of these statements are included in the committee records.

House Bill No. 204 by Representative DeVillier

Representative DeVillier presented House Bill No. 204, which provides relative to the state sales and use tax exemptions for food for home consumption, residential utilities, and prescription drugs.

Representative DeVillier offered a motion to voluntarily defer action on House Bill No. 204. Without objection, action on House Bill No. 204 was voluntarily deferred by a vote of 13 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, White, and Willard voted yea.

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

House Bill No. 161 by Representative Kerner

Representative Kerner presented House Bill No. 161, which changes local sales and use tax exemptions for commercial fishermen and certain seafood processing facilities from optional to mandatory.

Representative Bourriaque offered a motion to report House Bill No. 161 favorably. Without objection, House Bill No. 161 was reported favorably by a vote of 12 yeas and 0 nays.

Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, McMahan, Orgeron, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 3 in opposition. Witness cards are included in the committee records.

House Bill No. 171 by Representative Beaulieu

Representative Beaulieu presented House Bill No. 171, which provides relative to the requirement for marketplace facilitators to collect and remit sales and use taxes.

Representative Beaulieu offered a motion to report House Bill No. 171 favorably. Without objection, House Bill No. 171 was reported favorably by a vote of 12 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, and White voted yea.

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

House Bill No. 558 by Representative Beaulieu

Representative Beaulieu presented House Bill No. 558, which provides for the collection and remittance of state and local sales and use taxes.

Mr. Drew Talbot, attorney, Louisiana Association of Tax Administrators (LATA), 8480 Bluebonnet Boulevard, Suite D, Baton Rouge, Louisiana 70810, spoke in support of House Bill No. 558.

Representative Beaulieu offered amendments which: (1) prohibit the tax, interest, or penalty rates in a taxing jurisdiction, from being changed unless the change is effective on the first day of Jan., April, July, or Oct., and the board and advisory committee have been notified in advance. Requires a taxing authority to notify the single collector for the parish of the date a change in a tax, interest, or penalty rate becomes effective; (2) authorize the failure or refusal of a taxing authority to provide timely notice of a rate change to the single collector for a parish to be an absolute defense against a claim by a taxing authority against the single tax collector for the parish; (3) define a "tax rate change" for purposes of proposed law; (4) remove present law requirement that the chair of the board also serve as chair of the committee; (5) remove attorney fees from the list of information excepted in present law from information that must be uniform on sales tax returns for all taxing authorities; (6) require each collector to provide certain requested information to the board and the committee rather than the secretary of DOR and the committee and extend the requirement for submission of information to information necessary to maintain the uniform electronic local return and remittance system; (7) authorize failure or refusal of a collector to provide requested information to the board or the advisory committee within the time frame required in present law to design and maintain the

uniform electronic local return and remittance system to be absolute defense against any claim by a taxing authority or collector against the board or advisory committee related to the data utilization system; (8) add requirement that collectors follow the data validation procedures recommended by the advisory committee and adopted by the board; (9) authorize the board to impose a fee on any local collector that does not have an executed agreement with the board for the creation, implementation, and on-going maintenance and operation of the uniform local return and remittance system and provide for the amount of the fee and a collection procedure if a collector does not pay the fee within 30 calendar days are imposition; (10) require the Dept. of Revenue to continue to operate the electronic local return and remittance system used and administered by the department as of Jan. 1, 2024, until the board certifies that the electronic local return and remittance system is available for use by taxpayers; and (11) require the board to implement the uniform electronic local return and remittance system to be available for use by taxpayers no later than Jan. 1, 2026.

Representative Beullieu 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, Beullieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, White, and Willard voted yea.

Representative Beullieu offered a motion to report House Bill No. 558 with amendments. Without objection, House Bill No. 558 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Bishop, Beullieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, White, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 18 in support and 1 for information only. Witness cards are included in the committee records.

House Bill No. 256 by Representative Gregory Miller

Representative Gregory Miller presented House Bill No. 256, which requires extension of the deadline to pay local sales taxes when the deadline for payment of the tax falls on certain holidays.

Representative Bishop offered a motion to report House Bill No. 256 favorably. Without objection, House Bill No. 256 was reported favorably by a vote of 12 yeas and 0 nays. Representatives Bishop, Beullieu, Bourriaque, Bryant, DeVillier, Farnum, LaCombe, Landry, McMahan, Mincey, Orgeron, 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.

House Bill No. 621 by Representative Cormier

Representative Cormier presented House Bill No. 621, which levies a tax on tickets for admission to certain college football games and dedicates the avails of the tax to passenger rail service between New Orleans and Baton Rouge.

Mr. Caleb Holmes, policy analyst/legislative intern, Sierra Club Delta Chapter, 2455 Weldwood Drive, Baton Rouge, Louisiana 70816, (318) 638-9500, spoke in support of House Bill No. 621.

Representative Willard offered a motion to report House Bill No. 621 favorably, to which Representative Bishop objected. The administrative assistant called the roll, and the motion failed to pass by a vote of 4 yeas and 11 nays. Representatives Bryant, Landry, Orgeron, and Willard voted yea. Representatives Bishop, Beaulieu, Bourriague, DeVillier, Farnum, LaCombe, Magee, McMahan, Mincey, Schlegel, and White voted nay.

Representative Bishop offered a motion to involuntarily defer action on House Bill No. 621. Without objection, action on House Bill No. 621 was involuntarily deferred by a vote of 15 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriague, Bryant, DeVillier, Farnum, LaCombe, Landry, Magee, McMahan, Mincey, Orgeron, Schlegel, White, and Willard voted yea.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Bourriague offered a motion to adjourn. Without objection, the motion passed by a vote of 15 yeas and 0 nays. Representatives Bishop, Beaulieu, Bourriague, Bryant, DeVillier, Farnum, LaCombe, Landry, Magee, McMahan, Mincey, Orgeron, Schlegel, White, and Willard voted yea.

The meeting was adjourned at 11:43 a.m.

Respectfully submitted,

Chairman Stuart J. Bishop
House Committee on Ways and Means