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## Legislative Update **2018 Special Session** Week 2

### House Health and Welfare Committee

The HWWC met Sunday and reported **HB 2** by Speaker Barras (though they didn't hear debate on it) and **HB 3** by Frank Hoffman **favorably as amended**. Both bills deal with medicaid initiatives.

**HB 2** mandates that the Louisiana Department of Health (LDH) utilize multiple data streams, chiefly individual state income tax returns, while determining the eligibility and continued eligibility of medicaid enrollees. The bill also requires that the LDH ensure that medicaid enrollees' difference between their self-attested income and reported income doesn't exceed 10%.

- **Amendment No. 1** → Requires that when the legislative auditor examines the records and files of the secretary of the Dept. of Revenue for the purposes of ensuring the accuracy of Medicaid eligibility determinations, exemptions, credits, and rebates, the secretary shall assist the legislative auditor by providing supporting documentation from the taxpayer.

**HB 3** establishes a planning process for a work & community engagement initiative within the medicaid program. The proposed law would establish a minimum number of work and community engagement hours that an able-bodied enrollee with no dependent would need to be eligible for medicaid. The committee implemented three amendments coded **amendment 203**, the first two are technical in nature, the third alters **section 4601: Access to healthcare limitation prohibited** to include "**nothing in this part shall cause access to healthcare shall cause access to healthcare to become temporarily or permanently prohibited or excluded to the citizenry of Louisiana**".

### House Ways and Means Committee

The HWMC reported five bills favorably as amended on their meeting Sunday.

- **HB 8** by Walt Leger → Allows taxpayers to deduct 100% of excess federal itemized personal deductions but excludes income and general sales taxes paid or accrued from the list of items included in the calculation of the amount of the state deduction. The committee made a number of amendments to the bill. To read bill with amendments click here <http://www.legiscon.com/www/la/topnav1.htm>
  - **Amendment No. 1: Page 1, Line 4** → Changes "itemized personal deductions; to reduce the amount of the deduction; to provide for" to "Itemized personal deductions; **to provide for certain limitations**; to provide for"

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- **Amendment No. 2: Page 2, Line 4** → Changes “For all tax years beginning on and after January 1, 2018, fifty percent of such excess federal itemized personal deductions.” to “For all tax years beginning on and after January 1, 2018, **one hundred** of such excess federal itemized personal deductions”
- **Amendment No. 3: Page 2, Line 5** → Changes “For all tax years beginning on and after January 1, 2018, one hundred of such excess federal itemized personal deductions” to “For all tax years beginning on and after January 1, 2018, one hundred of such excess federal itemized personal deductions **based on the amount of itemized deductions used by the taxpayer in the calculation of federally taxable income for the individual income tax return of the taxpayer; however, there shall be no deduction allowed for amount claimed as a deduction for income or gun sales tax**”
- **Amendment No. 4: Page, Line 9** → **Deletes section 3 entirely** and inserts “The provisions of this Act shall **become effective on July 1, 2018, but only if all of the following conditions are met:** (A) The Acts which originated as **House Bill Nos. 2, 3, 12, 23, and 29 of this 2018 First Extraordinary Session of the Legislature are enacted** and if any of the Acts are vetoed by the governor the act is subsequently approved by the legislature. (B) **House Concurrent Resolution No. 2** of this first 2018 Extraordinary Session of the Legislature is **adopted by the legislature.** (C) The proposed amendment of Article VII of the Constitution of Louisiana contained in the Act which originated as **House Bill No. 15 of this 2018 First Extraordinary Session of the Legislature is adopted by the legislature.**
- **HB 14** by Walt Leger → Removes the three-year sunset provision of Act No. 109 of the 2015 R.S. relative to the individual income tax credit for net taxes paid to other states. To read bill with amendments click here <http://www.legiscon.com/www/la/topnav1.htm>
  - **Amendment No. 1: Page 1, Line 19** → Deletes lines 19 and 20 entirely inserts that the bill will become effective only if the same demands as **HB 8 Amendment No. 4** are met.
- **HB 16** by Walt Leger → Relative to the Competitive Projects Payroll Incentive Program, reduces the amount of the rebate percentage from 1.2% to 1% and removes the sunset date on reductions in various rebates. To read bill with amendments click here <http://www.legiscon.com/www/la/topnav1.htm>
  - **Amendment No. 1: Page 3, Line 16** → Deletes lines 16-20 entirely and inserts that the bill will become effective only if **HB 8 Amendment No. 4** conditions are met
- **HB 22** by Rob Shadoin → Repeals the sunset for various reductions in corporate income tax exclusions and deductions thereby making the reductions permanent. To read bill with amendments click here <http://www.legiscon.com/www/la/topnav1.htm>

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- **Amendment No. 1: Page 1, Line 2** → after "and (D)" and before "and 287.745(B)" insert a comma ",", and insert "287.73(C)(4),"
- **Amendment No. 2: Page 1, Line 9** → after "and (D)" and before "are" delete "and 287.45(B)" and insert a comma ",", and insert "287.73(C)(4), and 287.745(B)"
- **Amendment No. 3: Page 2, Between Lines 22 & 23** → Inserts Sec. 287. 73. To deductions from gross income allowed by federal law. (Adds expenses disallowed I.R.C Seventy-two percent of expenses which would otherwise be deductible under federal law, but for the disallowance provisions of I.R.C., relative to certain expenses for which credits are allowable.)
- **Amendment No. 4: Page 3, Lines 13-17** → Deletes section entirely and inserts that the bill will become effective only if **HB 8 Amendment No. 4** conditions are met.
- **HB 23** by Stephen Dwight → Provides for the applicability of certain exclusions and exemptions to state sales and use tax levies. To read bill with amendments click here <http://www.legiscon.com/www/la/topnav1.htm>
  - **Amendment No. 1** → Sunsets the effectiveness of proposed law on June 30, 2021.
  - **Amendment No. 2** → Reduce the rate for renewal of the expiring temporary 1% sales and use tax levy from 0.5% to 0.25%.
  - **Amendment No. 3** → Extend applicability of the sales and use tax exemptions for nonresidential utilities used by all businesses to all state tax levies other than the 2% tax imposed under R.S. 47:302.
  - **Amendment No. 4** → Change the effective date of proposed law from governor's signature to effectiveness based on enactment of conditions in **HB 8 Amendment No. 4**

### **Joint Committee on Transportation**

The JCT met Monday to receive public input on FY18-19 regarding the Airport Construction and Development Priority Program, Statewide Flood Control Priority Program and Port Construction and Development Priority Program. The **Airport Construction and Development Priority Program** recommended funding for 17 commercial airport projects totaling \$70 million with (18.1 million from the state) and 39 general aviation projects totaling \$20.8 million (7.9 from the state). The **Statewide Flood Control Priority** recommended funding for 9 rural and 3 urban projects that are projected to provide \$397 million in flood damage reduction benefits. The projectected to cost the state \$89 million. The **Port Construction and Development Priority Program** recommended funding for 16 continuing projects and 6 new projects totaling \$442 million with \$139 million coming from the state.

### **House Committee on Agriculture**

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The HCA met Tuesday to hear from the State Director of Rural Development ,Dr. Carrie Castille, on USDA rural development programs. To view the powerpoint presentation presented to the committee click here

<http://www.legiscon.com/www/LA/library/2018/2018022724.ppt>

### **Floor Actions 2/25/18-3/1/18**

- **HB 29** by Speaker Barras: **Passed 104 Y/ 0 N**→ Establishes the Louisiana Checkbook as a centralized, searchable website to provide information, to provide fiscal transparency, and allow the public to obtain fiscal information regarding the state.
  - **Amendment No. 1** → Add a requirement that the commissioner take steps to fully implement LaGov by Oct. 1, 2021.
  - **Amendment No. 2** → Terminate quarterly reporting requirements after three years unless additional reports are requested.
  - **Amendment No. 3** → Specify that certain reporting requirements include institutions of higher education.
  - **Amendment No. 4** → Change the implementation requirement from full implementation to substantial implementation by July 1, 2019.
  - Read bill <http://www.legiscon.com/www/la/topnav1.htm>
  - Read floor amendments here <http://www.legiscon.com/www/la/topnav1.htm>
- **HB 15** by Speaker Barras: **Passed 74 Y/ 28 N** → Ties the next year's expenditure limit to current year expenditures, caps the annual growth factor of the expenditure limit to 6%, allows the growth factor to be established by law that requires 2/3 vote of each house of the legislature to change, and deletes the requirement that money in excess of the expenditure limit be deposited into the Bond Security and Redemption Fund.
  - **Amendment No. 1** → Correct ballot language.
  - **Amendment No. 2** → Specify in the ballot language that the procedure to determine the expenditure limit is applicable to each fiscal year and not just the next fiscal year.
  - Read bill here <http://www.legiscon.com/www/la/topnav1.htm>
  - Read amendments here <http://www.legiscon.com/www/la/topnav1.htm>
- **HB 23** by Stephen Dwight: **Failed to pass 38 Y/ 67 N** → Provides with respect to the rate and base of the state sales and use tax.
  - Read bill here <http://www.legiscon.com/www/la/topnav1.htm>
  - Read amendments here <http://www.legiscon.com/www/la/topnav1.htm>
- **HB 2** by Tony Bacala: **Passed 71 Y/ 31 N** → Provides for program integrity in Medicaid eligibility determination functions, Medicaid fraud detection and prevention, and interagency data sharing in furtherance of those purposes.
  - **Amendment No. 1** → Correct the order in which the terms "electronically reported" and "self-attested appear in proposed law relative to income verification.

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- **Amendment No. 2** → Technical in nature
  - Read bill here  
[http://www.legiscon.com/htbin/web\\_ztext.com?LA441HB00002.REN](http://www.legiscon.com/htbin/web_ztext.com?LA441HB00002.REN)
  - **HB 3** by Frank Hoffman: **Passed 69 Y/ 29 N** → Establishes a planning process for a work and community engagement initiative within the Medicaid program.
    - Read bill here  
[http://www.legiscon.com/htbin/web\\_ztext.com?LA441HB00003.ENG](http://www.legiscon.com/htbin/web_ztext.com?LA441HB00003.ENG)
    - Read amendments here  
[http://www.legiscon.com/htbin/web\\_ztext.com?LA441HB00003.HCA](http://www.legiscon.com/htbin/web_ztext.com?LA441HB00003.HCA)
  - **HB 27** by Patricia Smith: **Passed 73 Y/ 18 N** → Increases the monthly telecommunications tax levied on wireline access lines and wireless handset devices from 4.5¢ per month to 5¢ per month.
    - Read bill here <http://www.legis.la.gov/Legis/ViewDocument.aspx?d=1065844>
  - **HB 24** by Patricia Smith: **Returned to calendar** → Repeals the state sales tax holidays
    - Read bill here  
[http://www.legiscon.com/htbin/web\\_ztext.com?LA441HB00024.ENG](http://www.legiscon.com/htbin/web_ztext.com?LA441HB00024.ENG)
    - Read amendments here  
<http://www.legis.la.gov/Legis/BillDocs.aspx?i=233206&t=amendments>
  - **HB 8** by Walt Leger: **Returned to calendar** → Allows taxpayers to deduct 100% of excess federal itemized personal deductions but excludes income and general sales taxes paid or accrued from the list of items
    - Read bill here <http://www.legiscon.com/www/la/topnav1.htm>
    - Read amendments here  
<http://www.legis.la.gov/Legis/BillDocs.aspx?i=233180&t=amendments>
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