



2016 Regular Legislative Session Summary
Prepared by Jim Harris, Harris DeVille & Associates, Inc.

Note: Following is a brief run-down of legislation that passed in the 2016 Regular Louisiana Legislative Session. The bills of interest are based on those discussed by the CPA Legislative Committee during its legislative review. To review details on any bills listed below, visit www.legis.la.gov to conduct a search by instrument.

HB 78 by Rep. Kevin Pearson and Sen. Mike Walsworth requires the executive director of each of the state and statewide retirement systems to file a Tier 2.1 annual personal financial disclosure statement.

HB 144 by Rep. Greg Miller and Sen. Mike Walsworth changes the requirement of an affidavit for Tier 1 and Tier 2 personal financial disclosure statements to a certification in order to facilitate the electronic filing of personal financial disclosure statements submitted to the Board of Ethics.

HB 212 by Reps. Paula Davis and Wesley Bishop requires employers to notify the Department of Children and Family services of pending lump-sum payments of over \$300 to employees who owe child support. The law also spares employers who issue lump-sum payments in full from penalties if the employers satisfy the reporting requirements.

HB 266 by Rep. Denise Marcelle and Sen. Gerald Long prohibits any state agency, department, or office from inquiring about a prospective unclassified employee's criminal history until after an interview or a conditional offer of employment with exception to those agencies for which a criminal background check is legally required. The law does not prohibit the employer from considering an applicant's criminal history in the final determination of employment, and provides that the employer may consider the following related to an applicant's criminal history: the nature and gravity of the criminal conduct, the time that has passed since the occurrence of the criminal conduct, and the specific duties and essential functions of the position and the bearing, if any, that criminal conduct will have on the employee's capability to perform these functions.

HB 269 by Reps. Greg Miller and Patricia Smith provides for the continuous revision of the law of successions. The law clarifies existing law and expands it to apply also to interdicts.

HB 272 by Rep. Patricia Smith and Sen. Dorsey-Colomb allows a public servant to accept complimentary admission to a fundraising event held by or for the benefit of certain educational institutions or programs, excluding professional, semi-professional, or collegiate sporting events.

HB 284 by Rep. Franklin Foil and Sen. Danny Martiny changes present law to require a corporation to include the entire text of the original articles of incorporation when filing restated articles of incorporation relative to the Business Corporation Act and removes the existing 30-day grace period for annual reports.

HB 288 by Rep. Ray Garofalo and Sen. Rick Ward adds Chapter 13 bankruptcy debtors to those who may obtain a partial cancellation of the inscription of judgments.

HB 289 by Rep. Ray Garofalo and Sen. Rick Ward provides that a terminated corporation's juridical personality continues for the purpose of disposing of immovable property. The law adds disposal of immovable property owned by the corporation pursuant to a resolution of the board of directors to the existing list of purposes for which a corporation's juridical personality will continue after the corporation terminates; to reserve the corporation's name, to conclude any proceeding to which the corporation is a party at the time of termination, and to continue in ownership of any undistributed corporate assets and to owe any corporate obligations or liabilities.

HB 330 by Rep. Greg Miller and Sen. Rick Ward creates a rebuttable presumption that when there is no evidence of a party's actual income or earning potential, a party can earn a weekly gross amount equal to 32 hours at minimum wage.

HB 340 by Rep. Julie Stokes and Sen. Danny Martiny prohibits sales or offers for sale of warranties or extended service agreements for motor vehicles by mail or by telephone. Manufacturers, distributors and dealers of motor vehicles, licensed vehicle mechanical breakdown insurers and FDIC insured depository financial institutions operating with at least one office in this state are exempt from the regulation.

HB 346 by Rep. Thomas Carmody and Sen. Danny Martiny provides for exceptions to consumer loan licensing requirements. The law creates an exemption for savings banks that are organized, certified, supervised or chartered by a body of the federal, state, or U.S. territorial government from consumer loan licensing. Prior law included banks, savings and loan associations, and similar financial institutions licensed by the United States government and the government of Louisiana.

HB 460 by Reps. Mark Abraham and Ryan Gatti provides authority for domestic insurers to invest in certain foreign securities. The law would authorize investments when the securities are not in default and are issued the U.S. market denominated in U.S. dollars, are the direct legal obligation of a foreign nation belonging to the Organisation for Economic Co-operation and Development, pledged for payment in the full faith and credit of a nation with a reputable history of repaying debt rated at least A-, and when foreign investments make up no more than five percent of the insurer's admitted assets.

HB 505 by Rep. Mike Johnson and Sen. Neil Riser proposes a Constitutional Amendment to exempt widows of military personnel killed in the line of duty from payment of any ad valorem taxation on their personal property. The law authorizes an ad valorem property tax exemption for the unmarried surviving spouse of a person who died while on active duty as a member of the United States armed services or while performing duties as a law enforcement or fire protection officer.

HB 524 by Rep. Robby Carter and Sen. Neil Riser imposes a penalty of up to \$5,000 on any dealer, distributor, or importer of petroleum who willfully and knowingly fails to provide require records of petroleum products received, used, sold or delivered in the state detailed in the existing statute.

HB 585 by Rep. Chris Broadwater and Sen. Neil Riser requires lobbyists to include in reports information concerning officials and family members who are invited but do not attend certain functions. The law prohibits lobbyists from attributing amounts spent at a lobbying event to an official, spouse or minor child if that person did not attend the event.

HB 588 by Rep. Robert Johnson and Sen. Regina Barrow reduces the fee charged by the Department of Revenue to the Department of Children and Family Services and the district public defenders' offices from \$25 for each tax offset claim to \$4 for each tax offset claim.

HB 608 by Rep. Bryan Adams and Sen. Dale Erdey increases the rate of the fee the Louisiana Tax Commission is authorized to levy on the assessment of public service properties from 1/100 of one percent to 4/100 of one percent of the assessed value of such properties. The law is scheduled to sunset June 30, 2018.

HB 610 by Rep. Mark Abraham and Sen. Blade Morrish prohibits the inclusion of the value of federal low income tax credits and special financing assistance when determining the fair market value of residential housing units for property tax assessment.

HB 612 by Rep. Kirk Talbot and Sen. Ronnie Johns allows vehicle mechanical breakdown insurers to file audited consolidated financial statements with the commissioner of insurance in lieu of an audited financial statement.

HB 637 by Rep. Julie Stokes and Sen. Danny Martiny authorizes motor vehicle lessors to separately list certain charges to recover the cost of titling, licensing, and registering their vehicle fleet. The law provides that, should the lessor choose to include a license recovery fee as a separate charge, the amount shall represent a good-faith estimate of the lessor's average per-vehicle portion of the lessor's total annual titling and registration costs, to be adjusted annually.

HB 711 by Rep. Rob Shadoin and Sen. Walsworth provides procedures for the issuance of a TRO or injunction to bar the release of an audit report prepared by the legislative auditor. The law provides that an application can be made to a court of competent jurisdiction for a temporary restraining order, preliminary injunction, or permanent injunction barring the release of the audit.

HB 714 by Rep. Franklin Foil and Sen. Dan Claitor revises the Business Corporation Act. The law provides exception from existing requirements of a qualified director to those who are qualified with respect to offering potential opportunities to the corporation, as well as several other changes to the requirements for a qualified director.

HB 724 by Rep. Ed Price and Sen. Troy Brown provides relative to deposits payable upon the depositor's death. The law removes existing language that required the member to provide, by affidavit in authentic form, the names of the beneficiaries to the respective credit union and the title of the share account to include the terms "in trust for," "as trustee for" or "payable on death to."

HB 727 by Rep. Greg Miller and Sen. Mike Walsworth specifies that the filing of certain supplemental lobbyist disclosure reports is not required if a change in representation occurs in the month of January and if the lobbyist timely renews his registration pursuant to present law with accurate employment and representation information.

HB 735 by Rep. Neil Abramson and Sen. Dan Claitor changes the filing deadline for income tax returns made and filed by corporate and partnership taxpayers. Claims made on the basis of the calendar year must be filed on or before May 15 rather than the existing April 15 deadline. Similar language applies the same change to filing returns.

HB 737 by Rep. Neil Abramson and Sen. Conrad Appel changes the deadline for the submission of annual reports to the Department of Revenue regarding deductions and withholdings of employee wages from the first business day following February 27 to January 31 of each year.

HB 756 by Rep. Neil Abramson and Sen. Conrad Appel requires the electronic filing of all schedules and invoices for claims for refunds for overpayment of sales tax if the claim for a refund is \$25,000 or more or if the claim for a refund is made by a tax preparer on behalf of the taxpayer, regardless of the amount. Additionally, the law authorizes the

secretary to exempt any taxpayer from the provision if the taxpayer can demonstrate electronic filing would create an undue hardship.

HB 783 by Rep. Neil Abramson and Sen. Mike Walsworth provides relative to a sales and use tax rebate and a project facility expense rebate through the Louisiana Quality Jobs Program and extends the termination date of the program. The law replaces additional existing benefits that an employer is entitled to receive through the Enterprise Zone Program with a sales and use tax rebate for the purchases of materials used in the construction, addition, or improvement of a building used to house the business or its equipment and a project facility expense rebate equal to 1.5 percent of the qualified capital expenditures for the facility.

HB 794 by Rep. Neil Abramson and Sen. Mike Walsworth replaces additional benefits in the Enterprise Zone Program with a sales and use tax rebate for the purchases of materials used in the construction, addition, or improvement of a building used to house the business or its equipment. In addition, the law extends the termination date of the program from July 1 2017 to July 1 2018.

HB 795 by Rep. Julie Stokes and Sen. Gary Smith authorizes the creation of neighborhood improvement and beautification districts in parishes with population between 275,000 and 435,000 people.

HB 806 by Rep. Neil Abramson and Sen. Danny Martiny authorizes the dissolution by affidavit of a limited liability company that owns no immovable property.

HB 870 by Rep. Julie Stokes and Sen. Danny Martiny revises the Louisiana Accountancy Act to allow for CPA firm mobility, change the timing requirements of being able to sit for the CPA exam, clarify the definition of "attest," add a definition of "CPA-Retired," and other terms. Additionally, the law changes present law to increase the cap on compensation of board officers and those charging fees for "reinstatement applications" and other services.

HB 876 by Rep. Walt Leger and Sen. Danny Martiny provides for online filing of documents required to be filed with the secretary of state.

HB 882 by Rep. James Armes and Sen. John Smith requires 10 percent of total evaluation points in a request for proposal to be awarded to an offeror who is a certified veteran in requests for state procurements and public contracts.

HB 898 by Rep. Greg Miller and Sen. Mike Walsworth excludes trailers from the definition of "motor vehicle" for the purpose of the prohibition of using campaign funds to purchase a motor vehicle.

HB 956 by Rep. Greg Miller and Sen. Brett Allain eliminates the requirement that birth dates of parties be included on any act or document which evidences a privilege and is filed for recordation, and requires specific information on all acts of conveyance.

HB 965 by Rep. Robert Johnson and Sen. Karen Peterson removes disclosure requirement of business income from the state or a political subdivision for Tier 3 financial disclosure filers and instead requires the disclosure of each contract entered into by any business in which the filer or his spouse owns at least 10 percent with the state or a political subdivision, including the amount of value of the contract, the duration of the contract, and a description of the goods or services provided pursuant to the contract.

HB 978 by Rep. Mike Danahay and Sen. Ronnie Johns Establishes procedures and requirements related to the enforcement and adjudication of various state and local taxes, including changes to the funding for, membership, and authority of the Board of Tax Appeals.

HB 1009 by Rep. Kenny Havard and Sen. Bodi White requires the electronic submission of competitive sealed bids and proposals on a secure electronic interactive system as an alternative bidding option.

HB 1031 by Rep. Chad Brown and Sen. Rick Ward allows domestic insurers to invest in the stock of a Real Estate Investment Trust (REIT).

HB 1042 by Rep. Larry Bagley and Sen. Danny Martiny authorizes clerks of court, sheriffs, district attorneys and assessors to accept electronic payments for local charges.

HB 1066 by Rep. Tanner Magee and Sen. Norby Chabert extends the option of purchasing materials, supplies, vehicles, and equipment through an existing public contract of a political subdivision to the state and all political subdivisions of the state. Authorizes the state and all political subdivisions of the state to rely on a certificate of the political subdivision that the contract was bid in compliance with state law.

HB 1086 by Rep. Lance Harris and Sen. Jay Luneau allows municipalities of between 45,000 and 50,000 to utilize contract limits for public works set in state law rather than contract limits set in their home rule charters.

HB 1093 by Rep. Barry Ivey and Sen. Mike Walsworth requires that at least every five years, the legislative auditor include certain information in its reports concerning the actuarial soundness of the state, municipal, or parochial retirement systems.

HB 1103 by Rep. Julie Stokes and Sen. Dale Erdey provides that a physical copy of a taxpayer's IRS form requesting an extension of time to file their federal income tax

return shall be sufficient to request an extension of time to file the taxpayer's La. individual income tax return.

HB 1120 by Rep. John Schroder and Sen. Karen Peterson creates the Louisiana Tax Institute within the Department of Revenue as an advisory body on tax related matters.

HB 1121 by Rep. Walt Leger and Sen. Troy Carter requires annual notifications to purchasers and the Dept. of Revenue by remote retailers who make sales in La. in excess of \$50,000 per year.

HB 1157 by Rep. Julie Stokes and Sen. Fred Mills provides that the administrative rules relative to the Medicaid claims review process promulgated pursuant to present law shall provide procedures to ensure that providers receive or retain the appropriate reimbursement amount for claims in which the department determines that services delivered have been improperly billed but were reasonable and necessary.

HCR 25 by Rep. John Schroder and Sen. Eric Lafleur directs each state department to submit to the commissioner of administration and the legislature an efficiency report that outlines initiatives they will undertake to ensure more efficient operations in Fiscal Year 2016-2017 and beyond.

HCR54 by Rep. Stokes and Sen. Morrell express its intent regarding the meaning of the language in Act No. 451 of the 2015 Regular Session of the Legislature relative to persons who "broker" tax credits to mean those persons who facilitate the sale of a tax credit issued pursuant to R.S. 47:6007 between a transferor and transferee in exchange for consideration. For purposes of R.S. 47:6007, the term "broker" shall not include a tax return preparer, or an employee of or partner affiliated with the tax return preparer, who facilitates the sale of tax credits for the benefit of his or her client.

Note: The LCPA Advocacy Team worked diligently during the Regular Session with Rep. Stokes, Sen. Morrell and LDR staff to clarify the intent of the meaning of "broker".

HSR 1 by Rep. Franklin Foil requests the Committee on House and Governmental Affairs to study the feasibility and advisability of prohibiting campaign contributions to members of and candidates for the Public Service Commission from regulated entities and related persons.

SB 72 by Sen. Barrow Peacock and Rep. Kenny Cox authorizes a private employer to adopt an employment policy that gives preference in hiring to honorably discharged veterans, and spouses of disabled or deceased veterans.

SB 84 by Sen. Ryan Gatti and Rep. Dodie Horton provides relative to the sanctions for engaging in political activities for civil service employees. The law provides that the appointing authority will conduct an investigation of any person alleged to have violated existing law unless a request by the appointing authority is made to the board to conduct such an investigation.

SB 99 by Sen. Gary Smith and Rep. Greg Miller exempts minors engaging in sales of less than \$500 per year from payment of occupational license taxes.

SB 126 by Sen. Danny Martiny and Rep. Thomas Carmody provides for witnessed bank documentation as an alternative to an affidavit in the case of disbursement of funds of bank account payable on death.

SB 144 by Sen. Danny Martiny and Rep. Thomas Carmody provides relative to state banks' accounting for immovable property. The law requires that banks reflect the correct valuation in accordance with generally accepted accounting principles.

SB 165 by Sen. Brett Allain and Rep. Stuart Bishop requires landowner notification when an operator transfers an oil or gas well. The law requires the assistant secretary to notify the surface owner of the site that the site is declared orphaned.

SB 177 by Sen. Jack Donahue and Rep. John Schroder provides that each year the state treasurer shall submit at the August meeting of the Joint Legislative Committee on the Budget the status of fund transfers authorizes to eliminate budget deficits, specifically transfers which reduced constitutionally protected funds or dedication which were approved by the JLCB to eliminate budget deficits.

SB 201 by Sen. Brett Allain and Rep. Jerome Zeringue proposes a constitutional amendment to revise the circumstances that would allow the reduction of constitutionally protected expenditures and dedications to eliminate a projected deficit in an ensuing fiscal year. The amendment would prohibit an amount greater than five percent of the total appropriations or one percent of the balance for the current fiscal year to be available for the next fiscal year for a purpose other than specifically provided by law.

SB 205 by Sen. Troy Carter and Rep. Gary Carter requires a tobacco seller designated as a "wholesale dealer" only if 50 percent of the seller's total tobacco sales are to retail stores.

SB 217 by Sen. Wesley Bishop and Rep. John Bagneris provides for the confidentiality of records disclosed to or by the commissioner of insurance during the course of an insurance receivership.

SB 220 by Sen. Barrow Peacock and Rep. Thomas Carmody provides for powers of the estate of a deceased or incompetent member of a corporation if designated in the articles of organization or a writer operating agreement.

SB 338 by Sen. Danny Martiny and Rep. Joseph Lopinto provides for the protection of vulnerable adults from financial exploitation. In addition, the law provides procedures for protective measures if exploitation is reasonably believed.

SB 354 by Sen. Paige Cortez and Rep. Kenny Havard provides that changes to the contracts of the Department of Transportation and Development within the scope of the contract are not required to be recorded in the office of the recorder or mortgages in the parish where the work is performed.

SB 404 by Sen. Barrow Peacock and Rep. regulates unsolicited offers for the transfer and sale of mineral rights. The law requires that offers by mail must be marked with a disclosure and authorizes the transferor to rescind the agreement within three years

SB 407 by Sen. John Milkovich and Rep. Richard Jerome requires publication of state contracts and reports on the Division of Administration's website and creates a task force authorized to study and make annual assessments of state contracts.

SB 412 by Sen. Troy Brown and Rep. Ed Price authorizes the creation of special districts within cities of between 7,000 and 8,000 in population and provides for the governance and the powers and duties of the district, including tax increment finance authority.

SB 414 by Sen. Jay Luneau and Rep. Jeff Hall provides that if any premium is received for the sale of bonds, the premium may be applied to the payment of the principal or to the interest of the bonds.

SB 419 by Sen. Francis Thompson and Rep. Kenny Havard authorizes changes in the factors used in selection committee decisions. The law specifies that the geographic proximity of the physical location of applicant shall be included in the list of selection guides.

SB 425 by Sen. Brett Allain and Rep. Stuart Bishop dedicates 50 percent of any annual assessment paid by an operator who chooses not to plug an inactive well to the Oil and Gas Regulatory Fund with the remaining 50 percent deposited into the Oilfield Site Restoration Fund.

SB 428 by Sen. Brett Allain and Rep. Stuart Bishop dedicates certain funds to oilfield site-specific trust accounts in order to provide for oilfield site restoration.

SB 460 by Sen. Eric LaFleur and Rep. Cameron Henry provides for the disposition and reporting on fees and self-generated revenues by state agencies and the state treasurer.

SB 464 by Sen. Fred Mills and Rep. Mike Huval authorizes the governing bodies of certain municipalities to use proceeds of an additional sales tax as needed in the municipality's operating budget and new construction infrastructure within the municipality.