

**CONFERENCE COMMITTEE REPORT**

**HB 642**

**2021 Regular Session**

**Schexnayder**

June 10, 2021

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 642 by Representative Schexnayder, recommend the following concerning the Reengrossed bill:

1. That Senate Committee Amendments Nos. 1, 4, 8, 18, 19, 22 through 27, 30 through 32, and 37 through 39 by the Committee on Finance (#2612) be adopted.
2. That Senate Committee Amendments Nos. 2, 3, 5 through 7, 9 through 17, 20, 21, 28, 29, and 33 through 36 by the Committee on Finance (#2612) be rejected.
3. That Senate Floor Amendments Nos. 2, 4, 5, 7 through 10, 13 through 21, 23, 24, and 26 through 32 by Senator White (#2760) be adopted.
4. That Senate Floor Amendments Nos. 1, 3, 6, 11, 12, 22, and 25 by Senator White (#2760) be rejected.
5. That the set of Senate Floor Amendments by Senator Fields (#2786) be rejected.
6. That the following amendments be adopted:

AMENDMENT NO. 1

In Senate Committee Amendment No. 1 by the Committee on Finance (#2612), on page 1, line 3, after "Sector" and before "Commission" delete "Infrastructure"

AMENDMENT NO. 2

In Senate Committee Amendment No. 4 by the Committee on Finance (#2612), on page 1, at the end of line 16, insert the following:

"The term "port authority" shall also include an entity that provides short line rail service for a port, harbor, or terminal district and has pledged its revenues to the indebtedness of the port, harbor, or terminal district."

AMENDMENT NO. 3

In Senate Committee Amendment No. 4 by the Committee on Finance (#2612), on page 1, line 24, after "loss" delete the remainder of the line and insert a comma "," and insert "COVID-19 expenses, and expenses related to maritime port security measures to the division of"

AMENDMENT NO. 4

In Senate Committee Amendment No. 19 by the Committee on Finance (#2612), on page 3, at the beginning of line 1, change "(5)" to "(4)"

AMENDMENT NO. 5

In Senate Committee Amendment No. 39 by the Committee on Finance (#2612), on page 6, line 27, after "into" and before "Monies" delete "this fund." and insert "the fund in accordance with the provisions of the American Rescue Plan Act of 2021 (P.L. 117-2) authorizing the use of the Coronavirus State Fiscal Recovery Fund for the provision of government services to the extent of a reduction in state revenues."

AMENDMENT NO. 6

In Senate Floor Amendment No. 2 by Senator White (#2760), on page 1, line 6, after "line 14," insert "delete the period ".\_" and"

AMENDMENT NO. 7

In Senate Floor Amendment No. 2 by Senator White (#2760), on page 1, delete line 7 and insert "and port security measures. The amount of total funding from the program for security measures shall not exceed five million dollars. Expenses submitted to but not"

AMENDMENT NO. 8

In Senate Floor Amendment No. 2 by Senator White (#2760), on page 1, line 14, after "loss" and before "the" delete "of" insert a comma ".\_" and insert "COVID-19 expenses, and maritime port security expenses incurred by"

AMENDMENT NO. 9

In Senate Floor Amendment No. 5 by Senator White (#2760), on page 1, at the end of line 41, delete the quotation mark "" and insert the following:

"(g) The division of administration may utilize an amount not to exceed two hundred fifty thousand dollars collectively from the Louisiana Port Relief Fund and the Louisiana Tourism Revival Fund for administrative expenses associated with the Louisiana Port Relief Program and the Louisiana Tourism Revival Program."

AMENDMENT NO. 10

In Senate Floor Amendment No. 7 by Senator White (#2760), on page 2, delete line 9 in its entirety

AMENDMENT NO. 11

In Senate Floor Amendment No. 9 by Senator White (#2760), on page 2, at the end of line 18, delete "Fund." and insert "Fund in accordance with the provisions of the American Rescue Plan Act of 2021 (P.L. 117-2) authorizing the use of the Coronavirus State Fiscal Recovery Fund for the provision of government services to the extent of a reduction in state revenues."

AMENDMENT NO. 12

In Senate Floor Amendment No. 14 by Senator White (#2760), on page 2, at the end of line 40, insert a quotation mark ""

AMENDMENT NO. 13

In Senate Floor Amendment No. 21 by Senator White (#2760), on page 3, line 36, after "million" and before "shall" insert "dollars"

AMENDMENT NO. 14

In Senate Floor Amendment No. 21 by Senator White (#2760), on page 3, line 38, after "thousand" and before "shall" insert "dollars"

AMENDMENT NO. 15

In Senate Floor Amendment No. 24 by Senator White (#2760), on page 4, at the beginning of line 14, change "(2)" to "B.(1)"

AMENDMENT NO. 16

In Senate Floor Amendment No. 28 by Senator White (#2760), on page 4, line 26, between "BA-7" and "" insert a period "."

AMENDMENT NO. 17

In Senate Floor Amendment No. 29 by Senator White (#2760), on page 4, at the end of line 28 insert the following:

"and insert the following:

"§100.54. Louisiana Tourism Revival Fund

A. There is hereby created in the state treasury, as a special fund, the Louisiana Tourism Revival Fund, hereinafter referred to in this Section as the "fund". The treasurer is hereby authorized and directed to transfer seventy-seven million five-hundred thousand dollars from the Louisiana Rescue Plan Fund into the fund.

B. All unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund. Monies in the fund shall be invested in the same manner as monies in the state general fund. Interest earned on the investment of monies in the fund shall be deposited in and credited to the fund.

C. Monies in the fund shall be utilized to support the efforts of state, local, and regional tourism entities to revive tourism in Louisiana by investing in programs focused on marketing and promoting Louisiana as a destination for in-state and out-of-state travel activity.

D. Monies in the fund shall be distributed as follows: sixty million dollars shall be used for the Louisiana Tourism Revival Program as provided for in R.S. 39:100.55 and seventeen million five-hundred thousand dollars shall be appropriated to the Department of Culture, Recreation and Tourism for the Marketing Program.

§100.55. Louisiana Tourism Revival Program

A. The Louisiana Tourism Revival Program is established to provide grants to local and regional tourist commissions for marketing and promoting Louisiana as a tourism destination for in-state and out-of-state travel activity. The division of administration shall administer the program.

B. The division of administration shall establish a program portal in which applications shall be submitted, and the division shall publish information on the program. The program portal page shall be operational no later than August 31, 2021.

C. In order to qualify to receive a grant award, the recipient shall be an official tourism commission, convention and visitors bureau, or official destination marketing organization.

D. The division of administration shall submit a plan for the administration and structure of the program to the Joint Legislative Committee on the Budget by July 31, 2021, for review and approval at the monthly August meeting. No grants shall be awarded prior to Joint Legislative Committee on the Budget approving the plan submitted by the division of administration.

E. The division of administration may utilize an amount not to exceed two hundred fifty thousand dollars collectively from the Louisiana Port Relief Fund and the Louisiana Tourism Revival Fund for administrative expenses associated with the Louisiana Port Relief Program and the Louisiana Tourism Revival Program."

AMENDMENT NO. 18

In Senate Floor Amendment No. 30 by Senator White (#2760), on page 5, at the end of line 24, change "June 15," to "June 30,"

AMENDMENT NO. 19

In Senate Floor Amendment No. 30 by Senator White (#2760), on page 5, line 33, change "August 1, 2021," to "July 15, 2021,"

AMENDMENT NO. 20

In Senate Floor Amendment No. 30 by Senator White (#2760), on page 5, line 41, delete "Joint Legislative Committee on the Budget" and insert "committee"

AMENDMENT NO. 21

In Senate Floor Amendment No. 30 by Senator White (#2760), on page 6, line 20, delete "Joint Legislative Committee on the Budget" and insert "committee"

AMENDMENT NO. 22

In Senate Floor Amendment No. 32 by Senator White (#2760), on page 7, line 1, after "into" and before "Monies" delete "this fund." and insert "the fund in accordance with the provisions of the American Rescue Plan Act of 2021 (P.L. 117-2) authorizing the use of the Coronavirus State Fiscal Recovery Fund for the provision of government services to the extent of a reduction in state revenues."

7. That the following amendments to the Reengrossed bill be adopted:

AMENDMENT NO. 1

On page 4, delete line 13 and insert "§100.44.2. Port Relief; Small Business"

AMENDMENT NO. 2

On page 5, delete lines 22 and 23 and insert "(2)"

AMENDMENT NO. 3

On page 5, line 24, after "businesses" and before "and eligible" insert "to provide workforce development activities"

AMENDMENT NO. 4

On page 5, line 28, after "per" and before "nonprofit" insert "small business or"

AMENDMENT NO. 5

On page 6, at the beginning of line 1, change "(2)" to "(3)"

AMENDMENT NO. 6

On page 6, delete lines 3 and 4 and insert the following:

"(a)(i) For a small business, is a corporation, limited liability company, partnership, or sole proprietorship.

(ii) For a nonprofit organization, is a nonprofit corporation wholly owned by a nonprofit corporation."

AMENDMENT NO. 7

On page 6, at the end of the line 7, delete the period "." and insert a comma "," and insert "if applicable."

AMENDMENT NO. 8

On page 6, at the end of the line 8, delete the period "." and insert a comma "," and insert "if applicable."

AMENDMENT NO. 9

On page 6, between lines 10 and 11, insert the following:

"(f) Is in good standing with the Internal Revenue Service and has filed the Form 990 for tax year 2019 and 2020, if applicable."

AMENDMENT NO. 10

On page 6, delete line 11, and insert the following:

"(4) For nonprofit organizations, priority shall be given to organizations that"

AMENDMENT NO. 11

On page 6, between lines 12 and 13, insert the following:

"(5) For purposes of this Subsection, the following terms shall have the following meanings:

(a) "Small business" shall mean a business with fifty or fewer full-time equivalent employees.

(b) "Workforce development activity" shall mean any program, service, or activity that involves workforce preparation or vocational skills training. It shall also include any program, service, or activity that tends to improve an individual's employment opportunities such as basic education, academic education, vocational, technical, or occupational education, job readiness training, and job search training."

AMENDMENT NO. 12

On page 6, at the beginning of line 13, change "G." to "(6)"

AMENDMENT NO. 13

On page 6, delete line 15 and insert the following:

"Department of Revenue to ensure the funds are properly expended. The secretary of the Department of Revenue may promulgate rules in accordance with the Administrative Procedure Act to establish the policies and criteria regarding program eligibility and any other matter necessary to carry out the intent and purposes of this Section."

AMENDMENT NO. 14

On page 6, at the beginning of line 16, change "H." to "(7)"

AMENDMENT NO. 15

On page 7, at the end of line 9, insert the following:

"Pursuant to approval of a BA-7, monies in the fund may be used to provide funding for infrastructure projects administered by the Department of Transportation and Development."

Respectfully submitted,

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Representative Clay Schexnayder

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Senator Patrick Page Cortez

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Representative Jerome "Zee" Zeringue

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Senator Mack A. "Bodi" White Jr.

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Representative Gary M. Carter, Jr.

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Senator Regina Ashford Barrow

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

**CONFERENCE COMMITTEE REPORT DIGEST**

**HB 642**

**2021 Regular Session**

**Schexnayder**

**Keyword and oneliner of the instrument as it left the House**

FUNDS/FUNDING-GRANTS: Provides for the disbursement of monies received from the American Rescue Plan Act of 2021

**Report adopts Senate amendments to:**

1. Create the Capital Outlay Relief Fund and Southwest Louisiana Hurricane Recovery Fund.
2. Transfer Louisiana Rescue Plan Funds monies to the Capital Outlay Relief Fund, Southwest Louisiana Hurricane Recovery Fund, Construction Subfund of the Transportation Trust Fund, Major Events Fund, and H.E.R.O. Fund.
3. Create the Water Sector Commission to oversee the Water Sector Program
4. Combine the Louisiana Loggers Relief Fund and Louisiana Save Our Screens Fund into the Louisiana Main Street Recovery Rescue Plan Fund.
5. Reduce funding for the Louisiana Port Relief Program from \$55 million to \$50 million.
6. Change the source of funding for the Legislative Capitol Technology Enhancement Fund.
7. Decrease the amount of funding for the Small Business and Nonprofit Assistance Program from \$50 million to \$10 million.

**Report rejects Senate amendments which would have:**

1. Created the Louisiana Tourism Revival Fund and Louisiana Tourism Revival Program and transferred monies to the fund.
2. Required any monies remaining in the Louisiana Rescue Plan Fund at the end of the fiscal year be administered by DOTD to fund drainage, erosion, and slope stability improvements on the Southern University Baton Rouge campus.
3. Removed small businesses from the Small Business and Nonprofit Assistance Program.
4. Made technical changes.

**Report amends the bill to:**

1. Create the Louisiana Tourism Revival Fund and Louisiana Tourism Revival Program and transfer monies to the fund.

2. Allocate an amount of up to \$5 million for reimbursement for port security measures for port authorities.
3. Allow monies in the Louisiana Rescue Plan Fund to be used to provide funding for infrastructure projects administered by DOTD, subject to approval of the Joint Legislative Committee on the Budget through a BA-7.
4. Require the division of administration to include any administrative costs in the plan submitted to the Joint Legislative Committee on the Budget.
5. Make technical changes.

**Digest of the bill as proposed by the Conference Committee**

Proposed law creates the Louisiana Rescue Plan Fund and directs the treasurer to deposit any federal monies allocated to Louisiana pursuant to the Coronavirus State Fiscal Recovery Fund of the American Rescue Plan Act of 2021 into the fund.

Proposed law creates the Louisiana Coronavirus Capital Projects Fund and directs the treasurer to deposit any federal monies allocated to La. pursuant to the Coronavirus Capital Projects Fund of the American Rescue Plan Act of 2021.

Proposed law authorizes the Joint Legislative Committee on the Budget (JLCB) to appropriate monies from any of the funds created in proposed law and to transfer monies between funds created in proposed law by approving a BA-7.

Proposed law creates the following funds and directs the treasurer to deposit the following amounts from the Louisiana Rescue Plan Fund into the funds:

- (1) Louisiana Water Sector Fund - \$300 million
- (2) Granting Unserved Municipalities Broadband Opportunities (GUMBO) Fund - \$90 million
- (3) Louisiana Main Street Recovery Rescue Plan Fund - \$14.5 million
  - Louisiana Loggers Relief Fund - \$10 million
  - Louisiana Save Our Screens Fund - \$4.5 million
- (5) Louisiana Small Business and Nonprofit Assistance Fund - \$10 million
- (6) Louisiana Port Relief Fund - \$50 million
- (7) Louisiana Tourism Revival Fund - \$77.5 million
  - Louisiana Tourism Revival Program - \$60 million
  - Dept. of Culture, Recreation, & Tourism - \$17.5 million
- (8) Southwest Louisiana Hurricane Recovery Fund - \$30 million
- (9) Capital Outlay Relief Fund - \$35 million

Proposed law directs the treasurer to deposit the following amounts from the Louisiana Rescue Plan Fund into the following existing funds:

- (1) \$15 million to the Legislative Capitol Technology Enhancement Fund
- (2) \$563 million to the Construction Subfund of the Transportation Trust Fund
- (3) \$10 million to the Major Events Fund
- (4) \$5 million to the H.E.RO. Fund



**Granting Unserved Municipalities Broadband Opportunities (GUMBO) Fund**

Proposed law creates the GUMBO Fund to provide grants to help fund broadband access in rural and disadvantaged areas pursuant to the provisions of the Granting Unserved Municipalities Broadband Opportunities program. Proposed law directs the treasurer to deposit \$90 million from the Louisiana Coronavirus Capital Projects Fund into the fund.

**Louisiana Water Sector Program**

Proposed law creates the Louisiana Water Sector Program to provide grants to community water and sewer systems and projects necessitated by storm water. Requires the division of administration, the office of facility planning and control, and the office of community development to administer the program.

Proposed law establishes the Water Sector Commission as a ten member legislative commission that will review and approve applications submitted pursuant to the program and make recommendations to JLCB for approval of funding.

Proposed law establishes a working panel comprised of the office of public health, Dept. of Environmental Quality, office of community development, and the office of facility planning and control to review and rate applications from local governments and water and sewer systems and make recommendations to the commission for funding projects.

Proposed law requires projects included in the bill that originated as HB 2 of the 2021 to receive priority for funding and exempts those entities from submitting an additional application to be considered for a grant.

**Louisiana Loggers Relief Program**

Proposed law creates the Louisiana Loggers Relief Program to provide grants to timber harvesting and timber hauling businesses who suffered revenue loss due to COVID-19.

Proposed law establishes the program as a component of the Louisiana Main Street Recovery Program and outlines criteria for program eligibility.

Proposed law limits the grant amount to \$25,000 per eligible business.

**Louisiana Save Our Screens Program**

Proposed law creates the Louisiana Save Our Screens Program to provide grants to movie theaters in La. who were forced to close or reduce capacity due to COVID-19.

Proposed law establishes the program as a component of the Louisiana Main Street Recovery Program and outlines criteria for program eligibility.

Proposed law limits the grant amount to \$10,000 per movie screen located in La.

**Louisiana Small Business and Nonprofit Assistance Program**

Proposed law creates the Louisiana Small Business and Nonprofit Assistance Program to provide grants to small business to provide workforce development activities and to nonprofit organizations in La to assist individuals impacted by COVID-19.

Proposed law requires the Dept. of Revenue to administer the program and outlines criteria for program eligibility.

Proposed law limits the grant amount to \$25,000 per eligible nonprofits.

**Louisiana Port Relief Program**

Proposed law creates the Louisiana Port Relief Program to provide grants to La. port authorities that suffered revenue loss or incurred expenses due to COVID-19 or port security measures.

Proposed law outlines criteria for program eligibility. Requires the division of administration to administer the program.

Proposed law requires up to \$5 million of monies for the Port Relief Program to be used for reimbursement for maritime and port security measures.

### **Louisiana Tourism Revival Program**

Proposed law creates the Louisiana Tourism Revival Program to provide grants to local and regional tourist commissions for marketing and promoting Louisiana as a tourism destination for in-state and out-of-state travel activity.

Proposed law requires the division to administer the program and outlines criteria for program eligibility.

Proposed law requires JLCB approval of a plan for administration of the program prior to any grants be awarded.

Proposed law authorizes the division of administration to utilize up to \$250,000 collectively from the Louisiana Port Relief Fund and Louisiana Tourism Revival Fund for administrative expenses associated with the respective programs.

The creation of the GUMBO Fund and transfer of monies into the fund is effective if and when House Bill No. 648 of this 2021 R.S. is enacted and becomes effective.

The remaining provisions of the bill are effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 39:100.44.1, 100.44.2, and 100.51-100.59.2)