

GREEN SHEET REDIGEST

HB 70

2020 First Extraordinary Session

Jenkins

**TAX/TAX REBATES: Extends Enterprise Zone Program incentives to essential critical infrastructure workers by authorizing the payment of a one-time hazard pay rebate (Item #18)**

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DIGEST

Present law establishes the Enterprise Zone program (program) which authorizes eligible businesses to enter into contracts with the Board of Commerce and Industry to receive refundable income and franchise tax credits or state and local sales and use tax rebate payments in exchange for the creation of a specified number of jobs that involve employees who meet certain residency and other requirements. Present law provides for eligibility and qualifications for participation in the program.

Proposed law retains present law and establishes a one-time hazard pay rebate of \$250 for essential critical infrastructure workers whose adjusted gross income is \$50,000 or less as reported on the worker's 2019 La. individual income tax return.

Proposed law defines an "essential critical infrastructure worker" (hereinafter "worker") as a La. resident individual who meets all of the following eligibility criteria:

- (1) The worker is determined to be a worker as that term is defined by the federal Cybersecurity & Infrastructure Security Agency.
- (2) The worker was employed in certain specific employment sectors on or after March 11, 2020.
- (3) The worker was required to provide in-person services outside of the worker's residence and was substantially dedicated to responding to or mitigating the COVID-19 public health emergency for at least 200 hours from March 22, 2020, through May 14, 2020.

Proposed law requires that the worker was employed in at least one of the following essential critical infrastructure sector jobs on or after March 11, 2020:

- (1) Nurses, assistants, aides, medical residents, pharmacy staff, phlebotomists, respiratory therapists, and workers providing direct patient care in inpatient and outpatient dialysis facilities.
- (2) Housekeeping, laundry services, food services, and waste management personnel in hospitals and health care facilities.
- (3) Long-term care facility personnel, outpatient care workers, home care workers, personal assistance providers, home health providers, home delivered meal providers, childcare service providers.
- (4) Emergency medical services (EMS) personnel, fire and rescue personnel, law enforcement personnel, public health epidemiologists.
- (5) Bus drivers; retail fuel center personnel; sanitation personnel; residential, commercial, and industrial solid waste and hazardous waste removal personnel; storage and disposal personnel.
- (6) Grocery store, convenience store, and food assistance program personnel.
- (7) Mortuary service providers.

(8) Veterinary service staff.

Proposed law requires a rebate applicant to apply for the rebate with the Dept. of Revenue (DOR) in a manner and on forms prescribed by the secretary of DOR beginning on July 15, 2020, through Oct. 31, 2020. Authorizes the secretary of DOR to consult with the secretary of the La. Workforce Commission and the secretary of the Dept. of Economic Development to verify an applicant's eligibility for the one-time hazard pay rebate.

Proposed law requires the secretary of DOR, once an applicant's eligibility for receipt of the rebate has been verified, to certify and submit a list of eligible applicants and approved one-time hazard pay rebate amounts to the treasurer for payment.

Proposed law limits the total amount of rebates issued from exceeding \$50 million; however, the treasurer may pay additional rebates if monies are made available for the payment of these rebates and payment of additional rebates is approved by the Joint Legislative Committee on the Budget (JLCB). Proposed law requires the treasurer to make and credit \$25 million in rebate payments from the Coronavirus Local Recovery Allocation Fund and \$25 million from the La. Main Street Recovery Fund as established in present law within 10 days of receiving the list of approved applicants from DOR.

Proposed law prohibits, except for seizure of spousal or child support payments, the one-time hazard pay rebate from being subject to seizure pursuant to present law.

Proposed law authorizes DOR to promulgate rules in accordance with present law as are necessary to implement the provisions of proposed law including rules related to the recapture of the one-time hazard pay rebate if an applicant is subsequently determined to be ineligible for the rebate.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 51:1787(K); adds R.S. 51:1787(L))

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Specify the job sectors in which a worker must be employed in order to be eligible for the one-time hazard pay rebate.
2. Reduce the threshold amount of adjusted gross income a worker cannot exceed in order to be eligible for the one-time hazard pay rebate from \$70,000 or less per year to \$50,000 or less per year.
3. Remove requirement that the list of eligible applicants for the one-time hazard pay rebate be approved by the State Board of Commerce and Industry.
4. Delete authorization for an additional \$25 million of one-time hazard pay rebates to be paid by the treasurer if the additional rebates are approved by the JLCB and instead authorizes for additional rebates to be paid if monies are available and the rebates are approved by the JLCB.
5. Change the fund in which the treasurer is to make payments of the rebates from the La. Recovery Main Street Recovery Fund to the Coronavirus Local Recovery Allocation Fund.

The House Floor Amendments to the engrossed bill:

1. Require the treasurer to make \$25 million in rebate payments from the Coronavirus Local Recovery Allocation Fund and \$25 million from the La. Main Street Recovery Fund.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the reengrossed bill

1. Adds pharmacy staff, mortuary service providers, veterinary service staff, and workers providing direct patient care in inpatient and outpatient dialysis facilities to the list of essential critical infrastructure sector jobs.