

## RÉSUMÉ DIGEST

**HB 94**

**2020 Second Extraordinary Session**

**Zeringue**

Proposed law would have exempted an affected business from paying any license renewal fee during the COVID-19 public health emergency or within six months after the termination of the emergency and would have prohibited any agency from deferring payment of the fee.

Proposed law would have applied to businesses that met the following criteria:

- (1) Had a physical and active operation in La. as of March 1, 2020.
- (2) Had 50 or fewer full-time equivalent employees as of March 1, 2020.
- (3) Was not a subsidiary of a business with more than 50 full-time equivalent employees, not part of a larger business enterprise with more than 50 full-time equivalent employees, and was not owned by a business with more than 50 full-time equivalent employees.
- (4) Ceased operations or suffered an interruption in business due to one of the governor's emergency proclamations related to the COVID-19 public health emergency.
- (5) Fell under one of the following North American Industry Classification System categories:
  - (a) Furniture Stores
  - (b) Home Furnishings Stores
  - (c) Clothing Stores
  - (d) Shoe Stores
  - (e) Jewelry, Luggage, and Leather Goods Stores
  - (f) Sporting Goods, Hobby, and Musical Instrument Stores
  - (g) Book Stores and News Dealers
  - (h) Florists
  - (i) Office Supplies, Stationery, and Gift Stores
  - (j) Used Merchandise Stores
  - (k) Other Miscellaneous Store Retailers
  - (l) Performing Arts Companies
  - (m) Amusement Parks and Arcades
  - (n) Other Amusement and Recreation Industries
  - (o) Special Food Services
  - (p) Drinking Places (Alcoholic Beverages)
  - (q) Restaurants and Other Eating Places
  - (r) Personal Care Services

Proposed law would not have applied to any business that received \$250 or more in total from the following in the previous eight months:

- (1) A U.S. Small Business Administration-Guaranty Paycheck Protection Program loan or a U.S. Small Business Administration Economic Injury Disaster Loan Emergency Advance.
- (2) Funding through the La. Main Street Recovery Program.
- (3) Compensation from an insurance company for interruption of business.

Proposed law would have required the secretary of state to develop a standard application form for each affected business to complete to qualify for the fee exemption.

Proposed law would have provided that any individual who intentionally submitted false information on the form would be subject to the criminal penalties provided for in present law (R.S. 14:133).

Proposed law would have exempted fees collected relative to weighing and measuring devices and services (R.S. 3:4622), horse racing (R.S. 4:169), retail food establishments (R.S. 40:31.37), and the secretary of state (R.S. 49:222).

Proposed law would have required the division of administration to submit a report to the Joint Legislative Committee on the Budget (JLCB) by Dec.1, 2020, indicating each agency fee which has been exempted.

Proposed law would have allowed JLCB to further extend any fee exemption pursuant to proposed law by an additional six months by a vote of 2/3 of the committee.

(Proposed to add R.S. 29:732.1)

### **VETO MESSAGE:**

"Please be advised that I have vetoed House Bill 94 of the 2020 Second Extraordinary Session.

The intent of this bill is to provide financial relief to businesses that ceased operations or suffered a business interruption due to one of the COVID-19 public health emergency proclamations. While the author of the bill was well-intentioned in his attempt to provide assistance to certain businesses, the legislation as finally adopted by both chambers is extremely vague and fraught with unknowns that may have been addressed in a more thorough manner than that which happened during the Special Session. For example, an affected business is one that ceased operations or suffered an interruption of business due to a COVID-19 proclamation, but there is no length of time ascribed to the interruption of business. Does that mean that if a business was not able to operate for a two-week period due to its employees being required to quarantine that the business would then be eligible to be exempt from paying license renewal fees throughout the pendency of the public health emergency and the six-month period following the end of the public health emergency? The legislation limits eligibility to those businesses that did not receive a SBA Paycheck Protection Program loan or Economic Injury Disaster Loan Emergency Advance, funding through the Main Street Recovery Program, or compensation from an insurance company for interruption of business, but there is no verification process provided for that agencies and local government can use to ensure that applicants meet this eligibility requirement. The legislation contemplates occupational license fees and renewals being included in those fees that an affected business is exempt from paying. But while these are required by local governments, the legislation would require the Division of Administration to submit a report to the Joint Legislative Committee on the Budget that contains the list of agency fees that were exempted pursuant to this provision. It is unclear whether the Division would also be required to submit each local government occupational license fee that was exempted.

There are too many questions that remain to be answered that are certain to cause confusion in administration and that is why this bill will not become law"