July 1, 2021

Honorable Clay J. Schexnayder
Speaker of the House
Louisiana House of Representatives
Post Office Box 94062
Baton Rouge, Louisiana 70804-9062

      RE: Veto of House Bill 698 of the 2021 Regular Session

Dear Speaker Schexnayder:

      Please be advised that I have vetoed House Bill 698 of the 2021 Regular Session.

      House Bill 698 seeks to statutorily encumber an existing practice undertaken by the Executive Branch in an effort to determine whether a non-domiciliary parent taxpayer has claimed a child for tax purposes but did not claim the child for Medicaid eligibility purposes. As explained in committee testimony by the Department of Revenue, this legislative mandate risks non-compliance with the Internal Revenue Code (and millions of dollars of annual tax collections) and the confidentiality guaranty that is afforded to all taxpayers. While there exist several exceptions to this confidentiality provision, this approach and unfunded mandate duplicates existing processes with little return on investment. Specifically, any statistics relative to a domiciliary parent claiming a dependent for tax purposes will inherently conflict with rules pertaining to the household size for Medicaid eligibility rules, thus presenting an apples versus oranges approach that will undoubtedly be misconstrued and misinterpreted.

      Nonetheless, I have directed the Departments of Health, Revenue, and Children and Family Services to continue their collaboration to ensure the utmost integrity within the Medicaid system. Existing data sharing agreements are already under review and will be further expanded, within the parameters of federal and state law, to provide additional tools to LDH so that taxpayer dollars are expended appropriately in the course of Louisiana's Medicaid Program.

For these reasons, House Bill 698 is vetoed and returned to the House of Representatives.

Sincerely,

John Bel Edwards
Governor

cc: Honorable Patrick Page Cortez
            Louisiana Senate President