
DIGEST

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HB 1015 Engrossed

2022 Regular Session

Schexnayder

Abstract: Makes changes to the Major Events Incentive Program and creates a separate grant program for certain events held in Louisiana.

Present law creates the Major Events Incentive Program to provide funding for specific major events and provides definitions for "endorsing municipality", "endorsing parish", "event support contract", "local organizing committee", "qualified major event", and "site selection organization".

Proposed law retains present law.

Present law requires the Dept. of Economic Development (LED) to administer the program.

Proposed law moves administration of the program to the lieutenant governor, through the Dept. of Culture, Recreation and Tourism.

Proposed law allows grants to be used to pay or reimburse the endorsing parish, endorsing municipality, or local organizing committee for the cost of applying or bidding for selection as the site of the event and for the costs of planning for or conducting the event.

Present law requires approval of the commissioner of administration and the Joint Legislative Committee on the Budget (JLCB) prior to the execution of any contract with a local organizing committee, endorsing parish, or endorsing municipality for a qualified major event.

Proposed law requires the lieutenant governor to submit an economic analysis to the state treasurer and to include in such analysis: (1) the designated area impacted by the occurrence of the qualified major event, (2) the total incremental increase in sales and use receipts in the designated area, (3) the total incremental increase in excise tax receipts in the designated area, and (4) the amount equal to 50% of the total incremental increases of the sales and use receipts and excise tax receipts.

Proposed law requires the treasurer to transfer 50% of both the total incremental sales and use receipts and the excise tax receipts from the general fund to the program fund immediately upon receipt of the economic analysis required pursuant to proposed law.

Proposed law requires the lieutenant governor to submit a written report to JLCB and include in such report the entities that received grant funding for events in the prior fiscal year, the economic impact of the events, and the amount of incremental tax revenue transferred to the fund as required by proposed law by Sept. 1 of each year.

Present law creates the Major Events Incentive Program Subfund as a subfund of the Louisiana Mega-Project Development Fund.

Proposed law changes the subfund to a separate fund of the state treasury and renames it the Major Events Incentives Fund.

Proposed law creates the Events Incentive Program to provide grant funding to eligible entities for costs associated with planning, marketing, and conducting events of area-wide, statewide, regional, national, or international prominence with an economic impact greater than or equal to \$250,000.

Proposed law requires the lieutenant governor, through the Dept. of Culture, Recreation and Tourism, to administer the program.

Proposed law provides that a municipality, parish, or nonprofit corporation is eligible to receive up to 25% of the total cost incurred by the entity for the event, not to exceed \$250,000 per event.

Proposed law requires any application or documentation required by proposed law to be submitted no later than 180 days prior to the event to be considered.

Proposed law requires the lieutenant governor to promulgate rules to administer the program and to use the emergency rulemaking process for the promulgation of the initial administrative rule.

(Amends R.S. 51:2365(D)(3) and (F)(2); Adds R.S. 51:1260 and 1261; Repeals R.S. 51:2365(F)(1)(d) and 2365.1)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Remove LED from involvement with the program, including removal of references to LED throughout proposed law, and require the lieutenant governor to provide an economic analysis to the state treasurer and include certain criteria in the analysis.
2. Require the treasurer to transfer 50% of the incremental increase in sales and use and excise tax receipts to be paid from the general fund to the program fund established in proposed law immediately upon receiving the economic analysis.
3. Require the lieutenant governor to submit an annual report by Sept. 1 of each year which includes certain information regarding the program and to provide such report to JLCB.
4. Make nonprofit corporations eligible for funding through the program.
5. Require applications for funding be submitted by 180 days prior to the event.
6. Require the lieutenant governor to promulgate rules for administration of the program

and use of the emergency rulemaking process to promulgate initial rules.

7. Make technical changes.