AN ACT

To enact Chapter 15-B of Subtitle III of Title 39 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 39:1481 through 1485, relative to economic development; to provide for intent; to provide for definitions; to provide for an economic development program; to provide for qualified expenditures; to provide relative to the powers and duties of the Department of Economic Development; to provide relative to the promulgation of administrative rules; to provide for procedure; to provide for cooperative endeavor agreements; to provide for application of law; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 15-B of Subtitle III of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:1481 through 1485, is hereby enacted to read as follows:

CHAPTER 15-B. LOUISIANA COMPETES REGIONAL ECONOMIC DEVELOPMENT PROGRAM

§1481. Legislative intent

The legislature recognizes the strong competition among states to attract new business and industry and to grow existing business and industry. It is further recognized that different regions of this state have different characteristics and attributes which are advantageous to specific sectors of the economy. As a result, these regions each have unique challenges and opportunities relative to economic development. The legislature believes that local citizens working through regional
economic development organizations are uniquely positioned to support the state’s overall economic development efforts by identifying and directing how certain resources are best utilized to take advantage of a region’s distinctive economic potential. It is the intent of the legislature to authorize and direct the execution of cooperative endeavor agreements, in accordance with this Chapter and R.S. 33:9029.2, by and between the state and each of the eight regional economic development organizations where the state will provide economic support to the regional economic development organizations in exchange for the regional economic development organizations providing locally developed and tailored services directly related to attracting new business and industry and growing existing business and industry within their respective regions through the use of funds awarded through the Louisiana Competes Regional Economic Development Program, as provided for in this Chapter. It is further the intent of the legislature to minimize red tape and grant regional economic development organizations the maximum flexibility to utilize grant funds in furtherance of the intent of this Section. The legislature finds and determines that the use of funds are in furtherance of a public purpose.

§1482. Definitions

For purposes of this Chapter, the following words have the following meanings:

(1) "Louisiana Competes Program" means the Louisiana Competes Regional Economic Development Program.

(2) "Grant" means an award from the Louisiana Competes Economic Development Program to a regional economic development organization.

(3) "Qualified expenditure" shall having the meaning set forth in R.S. 39:1484.

(4) "Regional economic development organization" means any of the following: the Baton Rouge Area Chamber, or its successor; the Central Louisiana Economic Development Alliance, or its successor; Greater New Orleans, Inc., or its successor; the Northeast Louisiana Economic Alliance, or its successor; the North Louisiana Economic Partnership, or its successor; One Acadiana, or its successor;
§1483. Louisiana Competes Regional Economic Development Program

A. There is hereby created the Louisiana Competes Regional Economic Development Program to be administered by the Department of Economic Development, to provide grants to regional economic development organizations pursuant to the Louisiana Competes Regional Economic Development Program as established in this Chapter.

B. Each regional economic development organization shall receive an initial grant in the amount of one-eighth of the initial funds appropriated in accordance with the provisions of this Chapter. Each regional economic development organization shall receive all subsequent grants in the amount of one-eighth of the annual funds appropriated or otherwise generated in accordance with the provisions of this Chapter.

C. The secretary shall promulgate administrative rules in accordance with the Administrative Procedure Act to implement the provisions of this Chapter. The rules shall be promulgated in consultation with the eight regional economic development organizations and the Louisiana Chamber of Commerce Foundation.

§1484. Qualified expenditures

A. A regional economic development organization shall only utilize grant funds to pay for qualified expenditures related to the furtherance of economic development within the region it represents. Qualified expenditures are limited to site development costs for publicly owned property or other property to the extent allowable under Article VII, Section 14 of the Constitution of Louisiana and other applicable state law.

B. Site development costs include but are not limited to costs incurred for the following:

(1) Studies.
(2) Surveys.
(3) Development of plans and specifications.
(4) Entering into option agreements.
(5) Infrastructure improvements.
(6) Due diligence.
(7) Remediation.
(8) Wetland delineation.
(9) Professional services for architectural, engineering, legal, construction, and financial services related to site development.

C. Without limiting the provisions of Subsections A and B of this Section, a regional economic development organization shall not utilize any monies awarded pursuant to the provisions of this Chapter for any of the following:

(1) Salaries, wages, or benefits.
(2) Travel expenses incurred by the regional economic development organization's officers, employees, or contractors.
(3) Alcohol.
(4) Land, buildings, offices, equipment, or vehicles used primarily for the administrative operations of the regional economic development organization.

§1485. Cooperative endeavor agreement; term; public fund matching

A. Within thirty calendar days after adoption of administrative rules promulgated for the implementation of this Chapter, the regional economic development organization and the state shall enter into a cooperative endeavor agreement as provided for in R.S. 33:9029.2. The objectives and intent of each cooperative endeavor agreement shall be in conformity with the objectives and intent of this Chapter. Accordingly, the obligations of the regional economic development organization set forth in the cooperative endeavor agreement shall be limited to the following:

(1) Identifying high-priority sites for the purpose of attracting economic development projects.
(2) Developing high-priority sites for the purpose of attracting economic development projects.
(3) Developing and subsequently providing an annual report of all activities related to the objectives of the cooperative endeavor agreement undertaken in the previous year.

(4) Maintaining records and an accurate accounting of all expenditures.

(5) Adhering to state and federal non-discrimination laws.


(7) Applying a ten percent local match as provided for in Subsection C of this Section.

B. The initial cooperative endeavor agreement with each regional economic development organization shall have an initial term of two years. Thereafter the initial cooperative endeavor agreement with a regional economic development organization shall automatically renew for successive one-year periods until such time as all initial funds provided in the agreement have been expended.

C. A regional economic development organization shall not expend any grant funds without simultaneously applying local matching funds equaling ten percent of the cost being paid. Funds originating from any lawful source other than the state shall constitute local matching funds.

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ____________________

CODING: Words in struck through type are deletions from existing law; words underscored are additions.