

**ACT No. 372**

2025 Regular Session

HOUSE BILL NO. 507

BY REPRESENTATIVE EMERSON

1 AN ACT

2 To enact Chapter 47 of Title 51 of the Louisiana Revised Statutes of 1950, to be comprised  
3 of R.S. 51:2771, relative to the High Impact Jobs Program; to establish the program;  
4 to provide relative to qualification for and administration of the program; to provide  
5 relative to the powers and duties of Louisiana Economic Development and its  
6 secretary; to provide relative to special treasury funds; to provide relative to the  
7 transfer, deposit, and use, as specified, of monies in certain special treasury funds;  
8 to provide for an effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Chapter 47 of Title 51 of the Louisiana Revised Statutes of 1950,  
11 comprised of R.S. 51:2771, is hereby enacted to read as follows:

12 CHAPTER 47. ~~LOUISIANA CAPITAL INVESTMENT TAX CREDIT~~ HIGH  
13 IMPACT JOBS PROGRAM

14 §2771. High Impact Jobs Program; fund

15 A. For the purposes of this Section, the following terms have the following  
16 meanings, unless context clearly indicates otherwise:

17 (1) "Basic health benefits plan" means individual coverage for basic hospital  
18 care, physician care, and health care, effective no later than the first day of the month  
19 ninety days after hiring, that provides the same coverage as that provided to  
20 executive, administrative, and professional employees who are exempt from the  
21 minimum wage and maximum hour requirements of the federal Fair Labor Standards  
22 Act, 29 U.S.C. 201 et seq., and which LED determines to be in compliance with

1 federally mandated healthcare requirements, or if no federally mandated healthcare  
2 requirements exist, shall be determined by rule. For the purposes of this Paragraph,  
3 the term "value" means the cost to the company or the cost of equivalent coverage.

4 (2) "Company" means an entity authorized to do business in Louisiana  
5 pursuant to state law.

6 (3) "Distressed area" means an area that is economically distressed or  
7 underdeveloped as determined by rule and approved by the secretary.

8 (4) "Expenditure verification report" means a report of expenses prepared  
9 by an independent certified public accountant, paid for by the company, in  
10 accordance with R.S. 36:104.1.

11 (5) "Jobs" means positions of employment that meet all of the following  
12 criteria:

13 (a) Did not exist in the state for that employer prior to the effective date of  
14 the incentive contract entered into pursuant to the provisions of this Chapter.

15 (b) Are full-time, at-will employees and does not include seasonal or  
16 temporary positions.

17 (c) Are directly employed by the company or a named subsidiary in the  
18 contract.

19 (d) Are filled onsite or remotely by Louisiana employees of the company or  
20 a named subsidiary in the contract.

21 (e) Include a basic health benefits plan.

22 (f) Are approved by the secretary.

23 (6) "LED" means Louisiana Economic Development.

24 (7) "Louisiana employee" means a person who qualifies as a resident  
25 individual pursuant to R.S. 47:31.

26 (8) "Parish average wage" means the average wage in a parish as determined  
27 annually by the United States Department of Labor, Bureau of Labor Statistics, or  
28 its successor agency.

29 (9) "Project site" means a site in Louisiana identified for a project on the  
30 program application.

1           (10) "Qualifying company" means a company that is certified by LED as  
2           meeting the eligibility requirements of this Section and that has executed a contract  
3           with LED providing the terms and conditions for its participation in the program  
4           provided for in this Section.

5           (11) "Regional average wage" means the average wage within the  
6           geographic boundaries of the regional economic development organization in which  
7           the project is located, as calculated by LED and posted on its website.

8           (12) "Secretary" means the secretary of Louisiana Economic Development.

9           (13) "Wages" means compensation of an employee based on time worked  
10          or output of production but does not include benefits or overtime compensation.

11          B. There is hereby established within LED the High Impact Jobs Program,  
12          hereafter referred to in this Section as the "program", to encourage companies to  
13          create jobs that pay above the parish average wage and offer a basic health benefits  
14          plan. LED shall offer the following types of incentives pursuant to the program:

15           (1) A reimbursable grant of a percentage of annualized wages paid for  
16           qualifying jobs, not to exceed two hundred thousand dollars per year, per job, based  
17           upon the parish average wage paid where the project site is located at the time the  
18           incentive contract is executed, subject to the following conditions:

19           (a) Eight percent for a project located in a distressed area with wages equal  
20           to or greater than one hundred and ten percent but less than one hundred and twenty-  
21           five percent of the lesser of the parish average wage or the regional average wage.

22           (b) Eighteen percent for a project located in a parish with wages equal to or  
23           greater than one hundred and twenty-five percent but less than one hundred and fifty  
24           percent of the parish average wage.

25           (c) Twenty-two percent for a project located in a parish with wages equal to  
26           or greater than one hundred and fifty percent of the parish average wage.

27           (2) A reimbursable grant to retain highly skilled workers with advanced  
28           degrees, as approved by the secretary in accordance with program rules.

29           C.(1) A company may be eligible for participation in the program if it meets  
30           either of the following minimum criteria and is approved by the secretary:

1                   (a)(i) If the proposed project is located in a distressed area and the company  
2                   will pay wages on new jobs created equal to or greater than one hundred ten percent  
3                   of the lesser of the parish average wage or the regional average wage.

4                   (ii) If the proposed project is located outside of a distressed area and the  
5                   company will pay wages on new jobs created equal to or greater than one hundred  
6                   twenty-five percent of the parish average wage.

7                   (b) Retains highly skilled workers with advanced degrees.

8                   (2)(a) Companies primarily engaged in the following sectors are ineligible  
9                   for participation in the program:

10                   (i) Gaming.

11                   (ii) Retail sales.

12                   (iii) Professional sports teams.

13                   (iv) State and political subdivision enterprises.

14                   (v) Automotive rental and leasing.

15                   (vi) Local solid waste disposal.

16                   (vii) Local sewage systems.

17                   (viii) Local water systems.

18                   (b) LED may promulgate rules listing other professions or industries which  
19                   are eligible or ineligible for program participation.

20                   D.(1) LED shall establish an application process for the program and  
21                   establish an application fee for the program in accordance with R.S. 36:104.

22                   (2) Upon receipt of a company's application and the fee imposed pursuant  
23                   to Paragraph (1) of this Subsection, LED staff shall review the application and any  
24                   other information the secretary deems appropriate for a determination of the project's  
25                   eligibility.

26                   (3) If LED staff determine that an applicant is eligible, funding is available,  
27                   and that a grant would be in the best interest of the state, the secretary may execute  
28                   a contract with an applicant that contains the terms and conditions of the applicant's  
29                   participation in the program. The initial term of the contract shall be for three years;  
30                   however, the contract may be renewed for a single two-year period if the grant

1           recipient has complied with the provisions of this Section and all the terms of the  
2           contract and has not performed or failed to perform any act which would have made  
3           the applicant default on any of the terms of the contract.

4           (4)(a) A qualifying company may make a request for reimbursement by  
5           submitting to LED an expenditure verification report detailing qualifying  
6           expenditures. The qualifying company may submit the request for reimbursement  
7           either annually or at the end of the initial and renewed contract periods, as  
8           applicable.

9           (b) LED staff shall review the expenditure verification report and issue  
10          reimbursement payments for qualifying expenses.

11          (5) If an application is denied or if a reimbursement request is denied in  
12          whole or in part, LED shall issue a written basis for denial.

13          E. A qualifying company shall not receive any other incentive administered  
14          by LED for any expenditure or job for which it has received a grant pursuant to the  
15          provisions of this Section nor can the company be receiving a benefit from the  
16          Louisiana Quality Jobs Program, established pursuant to R.S. 51:2451 et seq.

17          F. The secretary may promulgate rules in accordance with the Administrative  
18          Procedure Act to carry out the provisions of this Section. Notwithstanding any  
19          provision of the Administrative Procedure Act to the contrary, rules promulgated  
20          pursuant to the provisions of this Section are subject to the approval of the Joint  
21          Legislative Committee on the Budget.

22          G. No incentive shall be awarded pursuant to the provisions of this Section  
23          for applications received on or after July 1, 2035.

24          H.(1) There is hereby established in the state treasury as a special fund the  
25          High Impact Job Fund, hereafter referred to in this Section as the "fund". Any  
26          money transferred, donated, or appropriated to the fund by the legislature shall be  
27          deposited into the fund after compliance with the requirements of Article VII,  
28          Section 9(B) of the Constitution of Louisiana relative to the Bond Security and  
29          Redemption Fund.

1                   (2) All unexpended and unencumbered monies in the fund at the end of the  
 2                   fiscal year shall remain in the fund. The monies in the fund shall be invested by the  
 3                   state treasurer in the same manner as monies in the state general fund, and interest  
 4                   earned on the investment of monies in the fund shall be credited to the fund.

5                   (3) Monies in the fund shall be appropriated to LED for awarding incentives  
 6                   pursuant to the provisions of this Section.

7                   Section 2. The provisions of this Act shall become effective on July 1, 2025;  
 8                   however, Louisiana Economic Development shall not issue the first grant until on or after  
 9                   July 1, 2026.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_