

## RÉSUMÉ DIGEST

**ACT 308 (HB 305)**

**2018 Regular Session**

**Jefferson**

Existing law generally provides for the La. Economic Development Corp., a board of directors, and other related matters.

Prior law provided for the board of directors to consist of 12 members.

New law changes board membership from 12 to 10 members.

Prior law provided for the board of directors to consist of 11 members appointed by the governor.

New law changes the number of governor-appointed members from 11 to 9.

Prior law required one member to be appointed from a list of three private sector individuals nominated by the La. Business League, or one minority member appointed from the La. business community at large.

New law requires one member to be a minority appointed from a list of three private sector individuals submitted by La.-based organizations representing minority business interests.

Prior law required one member to be appointed from a list of three private sector individuals submitted by the Community Bankers Association.

New law requires the member be appointed from a list of three private sector individuals employed at community banks. Further changes the appointing entity from the Community Bankers Association to the La. Bankers Association.

Prior law required one member to be appointed from a list of three private sector individuals submitted by the La. Society of Certified Public Accountants.

New law changes the La. Society of Certified Public Accountants to the Society of La. Certified Public Accountants.

Prior law required one member to be appointed from a list of three private sector individuals submitted by the La. members of the National Association of Security Dealers.

New law deletes prior law.

Prior law required one member to represent the venture capital industry.

New law requires one member to represent the La. venture capital industry or the La. angel investor community.

Existing law prohibits a corporate member or employee, or employee of the Dept. of Economic Development, from being a direct or indirect party to or interested person in any contract or agreement with the corporation for any matter, cause, or thing for which liability or indebtedness would result against the corporation. Provides if any contract or agreement is made in violation of existing law, such agreement or contract is null and void and no action will be maintained against the corporation.

New law adds that existing law does not apply to a member of the corporation or an employee thereof if the respective member recuses himself from voting on the otherwise prohibited contract or agreement. Further adds that any member of the corporation who recuses himself from voting is also prohibited from participating in any discussion or debate with respect to the otherwise prohibited contract or agreement.

Effective August 1, 2018.

(Amends R.S. 51:2311(A) and 2320.1)