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HOUSE FLOOR AMENDMENTS

2019 Regular Session

Amendments proposed by Representative James to Engrossed House Concurrent Resolution
No. 3 by Representative Edmonds

1 AMENDMENT NO. 1

2 On page 2, at the beginning of line 18, delete "13:I.503(E)(4)" and insert "13:I.502,
3 503(E)(4)"

4 AMENDMENT NO. 2

5 On page 2, between lines 19 and 20, insert the following:

6 "§502. Definitions

7 *Addition to a Manufacturing Establishment-*

8 1.a. a capital expenditure for property that would meet the standard of a
9 new manufacturing establishment if the addition were treated as a stand-alone
10 establishment;

11 b. a capital expenditure for property that is directly related to the
12 manufacturing operations of an existing manufacturing establishment; or

13 c. an installation or physical change made to a manufacturing
14 establishment that increases its value, utility or competitiveness;

15 2. maintenance capital, required environmental capital upgrades, and
16 replacement parts, except those replacements required in the rehabilitation or
17 restoration of an establishment, to conserve as nearly, and as long as possible,
18 original condition, shall not qualify as an addition to a manufacturing establishment;

19 3. expenses associated with the rehabilitation or restoration of an
20 establishment as provided for in §511 shall be included as an addition to a
21 manufacturing establishment.

22 *Beginning of Construction*-the first day on which foundations are started or,
23 where foundations are unnecessary, the first day on which installations of the
24 manufacturing establishment begins.

25 *Board*-Board of Commerce and Industry.

26 *Capital Expenditure*-the cost associated with a new manufacturing
27 establishment or an addition to an existing manufacturing establishment, including
28 purchasing or improving real property and tangible personal property, whose useful
29 life exceeds one year and which is used in the conduct of business.

30 *Department*-Louisiana Department of Economic Development.

31 *Establishment*-an economic unit at a single physical location.

32 *Exhibit A*-a fully executed agreement between the department and the
33 applicant specifying the terms and conditions of the granting of the exemption
34 contract

35 *Integral*-required to make whole the product being produced.

36 *Job*-positions of employment that are:

37 1. new (not previously existing in the state) or retained;

38 2. permanent (without specific term);

39 3. full-time (working 30 or more hours per week);

40 4. employed directly, by an affiliate or through contract labor;

41 5. based at the manufacturing establishment;

1 6. filled by a United States citizen who is domiciled in Louisiana or who
2 becomes domiciled in Louisiana within 60 days of employment; and

3 7. any other terms of employment as negotiated in the exhibit A,
4 including a requirement that in order to qualify as a job, a basic health benefits plan
5 is or has been offered in conjunction with the position of employment.

6 Local Governmental Entity- the parish governing authority, school board of
7 a district that has received a school performance letter grade of "A" or "B" pursuant
8 to the school and district accountability system provided for in R.S. 17:10.1, sheriff,
9 and any municipality in which the manufacturing establishment is or will be located.

10 Maintenance Capital-costs incurred to conserve as nearly as possible the
11 original condition.

12 Manufacturer-a person or business who engages in manufacturing at a
13 manufacturing establishment.

14 Manufacturing-working raw materials by means of mass or custom
15 production, including fabrication, applying manual labor or machinery into wares
16 suitable for use or which gives new shapes, qualities or combinations to matter which
17 already has gone through some artificial process. The resulting products must be
18 "suitable for use" as manufactured products that are placed into commerce for sale
19 or sold for use as a component of another product to be placed, and placed into
20 commerce for sale.

21 Mega-Project-a manufacturing establishment that provides all of the
22 following:

23 1. 500 jobs, employed directly, only, and otherwise meeting the
24 definition of jobs, which shall generate a minimum of \$20,000,000 in net new
25 payroll within three years of the beginning of operations; and

26 2. a minimum of \$100,000,000 in capital expenditures.

27 Obsolescence-the inadequacy, disuse, outdated or non-functionality of
28 facilities, infrastructure, equipment or product technologies due to the effects of
29 time, decay, changing market conditions, invention and adoption of new product
30 technologies or changing consumer demands.

31 Qualified Disaster-

32 1. a disaster which results from:

33 a. an act of terror directed against the United States of any of its allies;

34 or

35 b. any military action involving the Armed Forces of the United States
36 and resulting from violence or aggression against the United States or any of its
37 allies (or threat thereof), but not including training exercises;

38 2. any disaster which, with respect to the area in which the
39 manufacturing establishment is located, resulted in a subsequent determination by
40 the president of the United States that such area warrants assistance by the federal
41 government under the Robert T. Stafford Disaster Relief and Emergency Assistance
42 Act;

43 3. a disaster which is determined by an applicable federal, state, or local
44 authority (as determined by the secretary) to warrant assistance from the federal state
45 or local government or agency of instrumentality thereof; or

46 4. any other extraordinary event that destroys or renders all or a portion
47 of the manufacturing establishment inoperable.

48 Rehabilitation-the extensive renovation of a building or project that is
49 intended to cure obsolescence or to repurpose a facility.

50 Required Environmental Capital Upgrades-upgrades required by any state
51 or federal governmental agency in order to avoid fines, closures or other penalty.
52 Environmental upgrades demonstrated to be in excess of state and federal
53 governmental agency requirements shall not be considered required environmental
54 capital upgrades.

55 Restoration-repairs to bring a building or structure to at least its original form
56 or an improved condition.

57 Secretary-secretary of the Louisiana Department of Economic Development.

