

2020 First Extraordinary Session

HOUSE BILL NO. 18

BY REPRESENTATIVE WRIGHT

TAX/TAX REBATES: Provides relative to the Competitive Projects Payroll Incentive Program (Item #18)

1 AN ACT

2 To amend and reenact R.S. 51:3121(A)(7), (B)(1)(b)(v), and (C)(1), (2), and (3)(a) and to
3 enact R.S. 51:3121(B)(1)(b)(vi) through (ix), relative to the competitive projects
4 payroll incentive program; to provide relative to the program's eligibility
5 requirements; to extend the duration of the program; to remove certain approvals; to
6 provide relative to certain requirements for participation in the program; to provide
7 for certain limitations; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 51:3121(A)(7), (B)(1)(b)(v), and (C)(1), (2), and (3)(a) are hereby
10 amended and reenacted and R.S. 51:3121(B)(1)(b)(vi) through (ix) are hereby enacted to
11 read as follows:

12 §3121. Competitive Projects Payroll Incentive Program

13 A. Definitions. For purposes of this Section, the following words or terms
14 as used in this Chapter shall have the following meanings, unless a different meaning
15 appears from the context:

16 * * *

17 (7) "Qualified business" means a business certified by the secretary as
18 meeting the eligibility requirements of Subsection B of this Section, ~~approved by the~~
19 ~~Joint Legislative Committee on the Budget to participate in the program,~~ and
20 executing a contract providing the terms and conditions for its participation.

21 * * *

Proposed law changes present law by eliminating the requirement that businesses be invited to participate in the program by invitation of the secretary of DED and JLCB's requirement to approve a business to participate in the program. Further eliminates the requirement that JLCB approve other business activities in order to be eligible to participate in the program.

Present law authorizes the secretary of DED to certify eligibility of the business and request approval by JLCB of its participation in the program, if the secretary determines all of the following:

- (1) The business meets the eligibility requirements provided for in present law.
- (2) Participation in the program is needed in a highly competitive site selection situation to encourage the business to locate or expand in the state.
- (3) Securing the project will result in a significant positive economic benefit to the state.

Proposed law eliminates the requirement that JLCB approve a businesses participation in the program. Otherwise retains present law.

Present law prohibits any new contracts from being approved on or after July 1, 2022, but contracts existing on that date may continue and may be renewed.

Proposed law extends the termination date for new contracts to be entered into from on or after July 1, 2022, to on or after July 1, 2026.

(Amends R.S. 51:3121(A)(7), (B)(1)(b)(v), and (C)(1), (2), and (3)(a); Adds R.S. 51:3121(B)(1)(b)(vi)-(ix))