

2020 First Extraordinary Session

SENATE BILL NO. 25

BY SENATOR HEWITT

ECONOMIC DEVELOPMENT. Authorizes certain retail businesses to participate in the Enterprise zone incentive program. (Item #18) (7/1/20)

1 AN ACT

2 To amend and reenact R.S. 51:1787(B)(3)(c) and (K) and to enact R.S. 51:1787(B)(3)(e),  
3 relative to the Enterprise zone incentive; to authorize certain businesses to participate  
4 in the Enterprise zone incentive program; to provide for effectiveness; and to provide  
5 for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 51:1787(B)(3)(c) and (K) are hereby amended and reenacted and  
8 R.S. 51:1787(B)(3)(e) is hereby enacted to read as follows:

9 §1787. Enterprise zone incentives

10 \* \* \*

11 B. The board may enter into the contracts provided in Subsection A of this  
12 Section provided that:

13 \* \* \*

14 (3)

15 \* \* \*

16 (c)(i) Notwithstanding any other provision of law to the contrary, **except as**  
17 **provided in Item(ii) of this Subparagraph,** a business that is assigned a North

1 American Industry Classification Code of 5613 or 721, and whose advance  
2 notification is not filed before April 1, 2016, shall be ineligible to receive benefits  
3 pursuant to the provisions of this Section.

4 **(ii) Notwithstanding the provisions of Item (i) of this Subparagraph, a**  
5 **business assigned a North American Industry Classification Code of 721 shall**  
6 **be eligible to receive benefits pursuant to this Section if the business files or**  
7 **enters into an advance notification on or after July 1, 2020, and before**  
8 **December 31, 2021. However, no business shall be eligible to receive benefits**  
9 **pursuant to this Item after June 30, 2025.**

10 \* \* \*

11 **(e) Notwithstanding the provisions of Subparagraph (b) of this**  
12 **Paragraph, in addition to the requirements of Subparagraph (a) of this**  
13 **Paragraph, a retail business that is assigned a North American Industry**  
14 **Classification Code of 44, 45, or 722 and files or enters into an advance**  
15 **notification on or after July 1, 2020, and before December 31, 2021, shall be**  
16 **eligible to receive benefits pursuant to the provisions of this Section. However,**  
17 **no retail business shall be eligible to receive benefits pursuant to this**  
18 **Subparagraph after June 30, 2025.**

19 \* \* \*

20 K. The department shall not accept any advance notification on or after  
21 ~~July 1, 2021~~ **July 1, 2026.**

22 Section 2. This Act shall become effective on July 1, 2020; if vetoed by the governor  
23 and subsequently approved by the legislature, this Act shall become effective on July 1,  
24 2020, or on the day following such approval by the legislature, whichever is later.

---

The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Curry Lann.

---

DIGEST

SB 25 Original

2020 First Extraordinary Session

Hewitt

Present law establishes the Enterprise zone program (program) which authorizes eligible businesses to enter into contracts with the Board of Commerce and Industry to receive refundable income and franchise tax credits or state and local sales and use tax rebate

payments in exchange for the creation of a specified number of jobs that involve employees who meet certain residency and other requirements. Present law provides for eligibility and qualifications for participation in the program.

Present law excludes certain retail businesses such as professional employment services, hotels, and certain retail stores whose advance notification was not filed before April 1, 2016, from participating in the program.

Proposed law retains present law but expands eligibility for participation in the program to businesses assigned a North American Industry Classification Code (NAICS) of 44, 45, 721, or 722 for retailers, hotels, and restaurants. Further requires those businesses to file or enter into an advance notification between July 1, 2020, and Dec. 31, 2021, in order to be eligible to participate in the program.

Proposed law prohibits businesses added by proposed law from participating in the program after June 30, 2025.

Present law prohibits the Dept. of Economic Development from accepting any advance notification on or after July 1, 2021.

Proposed law changes present law to extend termination of the program from July 1, 2021, to July 1, 2026.

Effective July 1, 2020.

(Amends R.S. 51:1787(B)(3)(c) and (K); adds R.S. 51:1787(B)(3)(e))