

2015 Regular Session

HOUSE BILL NO. 583

BY REPRESENTATIVE LEGER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/TAX REBATES: Establishes a program to provide rebates to attract major events to the state

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AN ACT

To enact Chapter 5 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 47:6361 through 6363, relative to rebates; to provide rebate incentives for attracting specified major events; to establish a program for such incentives; to provide for qualifications of major events; to provide for calculation of the amount of the rebates; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 5 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:6361 through 6363, is hereby enacted to read as follows:

CHAPTER 5. MAJOR EVENTS INCENTIVE PROGRAM

§6361. Definitions

As used in this Chapter:

(1) "Endorsing parish" means either of the following:

(a) A parish that contains a site selected by a site selection organization for one or more events.

(b) A parish that does not contain a site selected by a site selection organization for an event, but is included in the market area for the event as designated by the secretary and is a party to an event support contract.

1 (2) "Endorsing municipality" means either of the following:

2 (a) A municipality that contains a site selected by a site selection
3 organization for an event.

4 (b) A municipality that does not contain a site selected by a site selection
5 organization for an event, but is included in the market area for the event as
6 designated by the secretary and is a party to an event support contract.

7 (3) "Local organizing committee" means an organization created as the
8 official host entity sanctioned by an endorsing municipality or parish for a specified
9 major event.

10 (4) "Event support contract" means a joinder undertaking, joinder agreement,
11 or a similar contract executed by a local organizing committee, an endorsing
12 municipality, or an endorsing parish and a site selection organization.

13 (5) "Event" means a National Football League Super Bowl, a National
14 Collegiate Athletic Association Final Four tournament event, the National Basketball
15 Association All-Star Game, the X Games, the Red Bull Series, a National Collegiate
16 Athletic Association football kickoff game, a College Football postseason playoff
17 or championship game, a national collegiate championship, a national championship
18 or Olympic Trials of an amateur or professional sport sanctioned by the national
19 governing body of the sport, a national Junior or Senior Games Championships, a
20 mixed martial arts championship, the Breeders' Cup, a Bassmaster Classic, a national
21 motorsports race, a national military event, a national political convention of the
22 Republican National Committee or the Democratic National Committee. The term
23 includes any activities related to or associated with an event.

24 (6) "Secretary" means the secretary of the Department of Economic
25 Development.

26 (7) "Site selection organization" means any one of the following:

27 (a) The National Football League, the National Collegiate Athletic
28 Association, the National Basketball Association, the International World Games
29 Association, or the United States Olympic Committee.

1 **(b) The national governing body of a sport that is recognized by the United**
2 **States Olympic Committee.**

3 **(c) The National Thoroughbred Racing Association.**

4 **(d) The Republican National Committee or Democratic National Committee.**

5 **§6362. Rebates**

6 **A. The secretary of the Department of Economic Development is hereby**
7 **authorized to enter into a contract with a local organizing committee, endorsing**
8 **parish, or endorsing municipality to recruit, solicit, or acquire for Louisiana major**
9 **specified events that have a significant positive economic development to the state.**
10 **The contract shall provide for commitment to the local organizing committee,**
11 **endorsing parish, or endorsing municipality which shall be paid in the form of a**
12 **rebate of a portion of the anticipated state sales and use and excise taxes collected**
13 **on goods and services which would not have otherwise been collected in the state but**
14 **for the occurrence of the major event.**

15 **B. Certification of sales. The secretary shall determine the amount of the**
16 **incentive rebate to be paid pursuant to the contract. Rebate payments shall be based**
17 **upon the amount of incremental increase in tax receipts within the designated area**
18 **during a specified period. Such rebate shall not exceed seventy percent of the total**
19 **tax receipts projected to be collected.**

20 **C. Payment of the rebate. Notwithstanding any provisions of law to the**
21 **contrary, the secretary of the Department of Revenue shall make the rebate**
22 **authorized pursuant to provisions of this Section from the incremental increase in**
23 **taxes generated by the occurrence of the event from revenues collected by the state**
24 **in the fiscal year of the event.**

25 **§6363. Requirements for Eligibility**

26 **An event not included in the definition of "event" is ineligible for funding**
27 **under this Chapter. A listed event may receive funding under this Chapter only if all**
28 **of the following conditions are met:**

- 1 (1) A site selection organization selects a site located in this state for the
- 2 event to be held one time or, for an event scheduled to be held each year for a period
- 3 of years under an event contract, or an event support contract, one time each year for
- 4 the period of years, after considering, through a highly competitive selection process,
- 5 one or more sites that are not located in this state.
- 6 (2) A site selection organization selects a site in this state as either:
- 7 (a) The sole site for the event.
- 8 (b) The sole site for the event in a region composed of this state and one or
- 9 more adjoining states.
- 10 (3) The event is held not more than one time in any calendar year.
- 11 Section 2. This Act shall become effective on July 1, 2015.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 583 Original

2015 Regular Session

Leger

Abstract: Establishes the Major Events Incentive Program within the Dept. of Economic Development to provide rebate incentives to local organizing committees, parishes, and municipalities to acquire major specified events.

Proposed law establishes the Major Events Incentive Program by authorizing the secretary of the Department of Economic Development (DED) to enter into a contract with a local organizing committee, endorsing parish, or endorsing municipality to recruit, solicit, or acquire for Louisiana major specified events that have a significant positive economic development to the state. The contract shall provide for commitment to the local organizing committee, endorsing parish, or endorsing municipality which shall be paid in the form of a rebate of a portion of the anticipated state sales and use and excise taxes collected on goods and services which would not have otherwise been collected in the state but for the occurrence of the major event.

Proposed law authorizes the DED secretary to determine the amount of the incentive rebate to be paid pursuant to the contract, based upon the amount of incremental increase in tax receipts within the designated area during a specified period. Such rebate shall not exceed 70% of the incremental increase.

Proposed law requires the the secretary of the Dept. of Revenue to make the rebate from the incremental increase in taxes generated by the occurrence of the event from revenues collected by the state in the fiscal year of the event.

Proposed law defines the events eligible for consideration, including the NFL Super Bowl, the NCAA Final Four, the NBA All-Star Game, the X Games, the Red Bull Games, a NCAA football kickoff game, a College Football postseason playoff or championship game, a national collegiate championship, a national championship or Olympic Trials of an amateur

or professional sport sanctioned by the national governing body of the sport, a national Junior or Senior Games Championships, a mixed martial arts championship, the Breeders' Cup, a Bassmasters Classic, a national motorsports race, a national military event, a national political convention of the Republican National Committee or the Democratic National Committee.

Proposed law also specifies that the event must be held no more than once a calendar year; must be one for which one or more sites not located in the state are considered; and the site in the state is either the sole site or the sole regional site for the event.

Effective July 1, 2015.

(Adds R.S. 47:6361 - 6363)