

2018 Regular Session

HOUSE BILL NO. 680

BY REPRESENTATIVE LEGER

ECONOMIC DEVELOPMENT: Provides relative to the Major Events Incentive Program Fund and Louisiana Economic Development

1 AN ACT

2 To amend and reenact R.S. 51:2365.1(A)(3) through (5) and (B) through (D) and to enact
3 R.S. 51:2365.1(A)(8), relative to the Major Events Incentive Program and the Major
4 Events Incentive Program Subfund; to provide for definitions; to provide relative to
5 authorizations of the secretary of the Department of Economic Development; to
6 provide for certain written notice requirements; to provide relative to certain fund
7 disbursements of the treasurer; to provide relative to requirements for qualified major
8 events; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 51:2365.1(A)(3) through (5) and (B) through (D) are hereby
11 amended and reenacted and R.S. 51:2365.1(A)(8) is hereby enacted to read as follows:

12 §2365.1. Major Events Incentive Program and the Major Events Incentive Program
13 Subfund

14 A. As used in this Section:

15 * * *

16 (3) "Event support contract" or "event contract" means a joint undertaking,
17 a joint agreement, or a similar contract executed by a local organizing committee, an
18 endorsing municipality, or an endorsing parish, or any combination thereof, and a
19 site selection organization.

1 (4) "Local organizing committee" means an organization created or
2 recognized as the official host entity sanctioned by an endorsing municipality or
3 parish for a specified qualified major event.

4 (5) "Qualified event" or "qualified major event" means a National Football
5 League Super Bowl, a National Collegiate Athletic Association Final Four
6 tournament game, the National Basketball Association All-Star Game, the X Games,
7 a National Collegiate Athletic Association Division I Football Bowl Subdivision
8 postseason playoff or championship game, a college tournament or championship,
9 the World Games, a national collegiate championship of an amateur sport sanctioned
10 by the national governing body of the sport that is recognized by the United States
11 Olympic Committee, an Olympic activity including a Junior or Senior activity,
12 training program, or feeder program sanctioned by the United States Olympic
13 Committee's Community Olympic Development Program, a mixed martial arts
14 championship, the Breeders' Cup World Championships, a Bassmasters Classic, a
15 National Motorsports race, the Red Bull Signature Series, a National Collegiate
16 Athletic Association football kickoff game, a national championship or Olympic
17 trials of an amateur or professional sport sanctioned by the national governing body
18 of the sport, the United States Bowling Congress Tournament, the WWE
19 WrestleMania, a national military event, or a national political convention of the
20 Republican National Committee or of the Democratic National Committee. The term
21 includes any activities related to or associated with a qualified event.

22 * * *

23 (8) "Treasurer" means the treasurer of the state of Louisiana.

24 * * *

25 B.(1) There is hereby established in the state treasury a special subfund in
26 the Mega-Project Development Fund to be known as the "Major Events Incentive
27 Program Subfund", hereafter in this Section, the "subfund".

28 (2) Beginning with the 2015-2016 Fiscal Year and for each fiscal year
29 thereafter, and after allocation of money to the Bond Security and Redemption Fund

1 as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the
2 treasurer shall transfer in and credit to the subfund an amount equal to the sum of the
3 incremental increase in state tax receipts generated by the occurrence of all qualified
4 events.

5 (3) Monies in the subfund shall be invested in the same manner as monies
6 in the Louisiana Mega-Project Development Fund and any interest earned on the
7 investment of monies in the subfund shall be credited to the subfund. All unexpended
8 and unencumbered monies in the subfund at the end of the fiscal year shall remain
9 in the subfund.

10 ~~(4) Subject to legislative appropriation and the approval of the Joint~~
11 ~~Legislative Committee on the Budget, the treasurer shall disburse monies as provided~~
12 ~~in R.S. 51:2365 to each eligible entity at times and in amounts as determined by the~~
13 ~~secretary and approved by the Joint Legislative Committee on the Budget.~~

14 C.(1) ~~Subject to legislative appropriation and the approval of the Joint~~
15 ~~Legislative Committee on the Budget, the~~ The secretary of the Department of
16 Economic Development is hereby authorized to enter into a contract with a local
17 organizing committee, endorsing parish, or endorsing municipality to recruit, solicit,
18 or acquire for Louisiana any qualified event that will have a significant positive
19 impact on economic development in the state. The contract shall provide for a
20 financial commitment to the local organizing committee, endorsing parish, or
21 endorsing municipality which shall be subject to legislative appropriation. Prior to
22 executing the contract, the secretary shall obtain the approval of the commissioner
23 of administration. The financial commitment shall be no more than the incremental
24 increase in certain state tax receipts as determined by the secretary.

25 (2) The amount of the incremental increase in certain state tax receipts
26 generated within the designated area by the occurrence of the qualified event during
27 a specified period shall be determined by the secretary. The secretary shall notify,
28 in writing, ~~the Joint Legislative Committee on the Budget and the treasurer~~ Revenue
29 Estimating Conference and the Joint Legislative Committee on the Budget of his

1 determination ~~and, upon the direction of the Joint Legislative Committee on the~~
2 ~~Budget, the treasurer shall transfer the amount of the incremental increase to the~~
3 ~~subfund.~~ Such state tax receipts shall be limited to excise tax and sales and use
4 taxes, excluding state hotel and motel occupancy taxes. The amount of the
5 incremental increase shall not include local tax receipts.

6 (3) Subject to legislative appropriation and the approval of the Joint
7 Legislative Committee on the Budget, the treasurer shall disburse monies as provided
8 in R.S. 51:2365 to each eligible entity at times and in amounts as determined by the
9 secretary.

10 D.(1) An event not included in the definition of qualified event is ineligible
11 for funding ~~under R.S. 51:2365~~ as provided for in this Section. A qualified major
12 event may receive funding ~~under R.S. 51:2365~~ as provided by this Section only if all
13 such event meets either of the following conditions ~~are met~~ described in this
14 Paragraph and the provisions of Paragraph (2) of this Subsection:

15 ~~(1)~~(a) After considering through a highly competitive selection process one
16 or more sites that are not located in this state, a site selection organization selects a
17 site located in this state for an event to be held once, or for an event scheduled to be
18 held annually for a period of years under an event contract.

19 ~~(2)~~(b) A site selection organization selects a site in this state as the sole site
20 for the event.

21 ~~(3)~~(2) The event is held not more frequently than annually.

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 680 Engrossed

2018 Regular Session

Leger

Abstract: Makes modifications with respect to the Major Events Incentive Program the Major Events Incentive Program Subfund relative to economic development.

Present law provides certain definitions. Defines "event support contract", "local organizing committee", and "qualified event" or "qualified major event".

Proposed law amends the definitions in present law. Adds the definition of "treasurer".

Present law establishes in the state treasury a special subfund in the Mega-Project Development Fund known as the "Major Events Incentive Program Subfund" (hereinafter "Subfund").

Proposed law retains present law.

Subject to legislative appropriation and the approval of the Joint Legislative Committee on the Budget (hereinafter "JLCB"), present law authorizes the secretary of the Dept. of Economic Development to enter into contracts with local governmental entities for any qualified event intended to have a significant positive impact on La. economic development.

Proposed law modifies present law. Deletes present law language relative to legislative appropriation and the JLCB. Adds that prior to executing the contract, the secretary is required to obtain the approval of the commissioner of administration. Requires the financial commitment of the contract to be no more than the incremental increase in certain state tax receipts as determined by the secretary.

Present law requires the secretary to notify the JLCB and the treasurer with respect to certain determinations.

Proposed law modifies present law to require the notification to be in writing. Requires such written notice to be provided to the Revenue Estimating Conference and deletes the reference of notices to be made to the JLCB and the treasurer.

Present law provides for the treasurer's disbursement of monies from the La. Mega-Project Development Fund (hereinafter "Fund") to eligible entities at times and in amounts as determined by the secretary and approved by JLCB.

Proposed law modifies present law and redesignates the statutory placement of present law. Changes the fund from which disbursements will be made from the Fund to the Subfund. Deletes language relative to the approval of the JLCB.

Present law prohibits an event not defined as a qualified event from receiving funding relative to the Fund. Provides a qualified event may receive such funding only if such event meets three conditions in present law.

Proposed law amends present law.

Proposed law changes the source from which a qualified event may receive funding from the Fund to the Subfund. Permits the qualified event to receive such funding if the event meets either of the following first two conditions and the third condition:

- (1) After considering through a highly competitive selection process one or more sites that are not located in this state, a site selection organization selects a site located in this state for an event to be held once, or for an event scheduled to be held annually for a period of years under an event contract.
- (2) A site selection organization selects a site in this state as the sole site for the event.
- (3) The event is held not more frequently than annually.

(Amends R.S. 51:2365.1(A)(3)-(5) and (B)-(D); Adds R.S. 51:2365.1(A)(8))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Add language to specify that the requirements for funding apply to qualified major events.
2. Change "or" to "and" to provide that qualified major events must meet either of two requirements plus one additional requirement to obtain funding.
3. Make technical changes.