

2018 Regular Session

HOUSE BILL NO. 305

BY REPRESENTATIVES JEFFERSON AND COUSSAN

ECONOMIC DEVELOPMENT: Provides relative to the Louisiana Economic Development Corporation

1 AN ACT

2 To amend and reenact R.S. 51:2311(A) and 2320.1, relative to the Louisiana Economic
3 Development Corporation; to amend relative to board membership; to provide with
4 respect to ethical considerations; to provide an exception; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R. S. 51:2311(A) and 2320.1 are hereby amended and reenacted to read
8 as follows:

9 §2311. Louisiana Economic Development Corporation; creation; domicile; board
10 of directors; terms; agency

11 A.(1) There is hereby created a body politic and corporate to be known as
12 the Louisiana Economic Development Corporation, hereinafter referred to as the
13 "corporation". The corporation is hereby constituted a public authority and the
14 exercise by the corporation of the powers conferred by this Chapter shall be deemed
15 to be performance of an essential public function. The corporation shall be exempt
16 from the provisions of Chapter 6 of this Title. The board of directors of the
17 corporation shall be composed of ~~twelve~~ ten members. The board shall consist of
18 the secretary of the Department of Economic Development or a designee and ~~eleven~~
19 nine members who are appointed by the governor, subject to Senate confirmation,
20 none of whom shall be a public official except for the secretary of the Department

1 of Economic Development or a designee. At least three members of the board shall
2 be minorities and at least two members shall be women.

3 (2) The members of the board of directors ~~are~~ shall be comprised of all of the
4 following:

5 (a) The secretary of the Department of Economic Development or a
6 designee.

7 (b) One minority member who is appointed from a list of three private sector
8 individuals ~~nominated by the Louisiana Business League, or one minority member~~
9 ~~appointed from the Louisiana business community at large~~ submitted by Louisiana-
10 based organizations representing minority business interests.

11 (c) One member who is appointed from a list of three private sector
12 individuals ~~appointed~~ submitted by the Louisiana Chapter of the AFL-CIO.

13 (d) One member who is appointed from a list of three private sector
14 individuals submitted by the Louisiana Retailers Association.

15 (e) One member who is appointed from a list of three private sector
16 individuals submitted by the Louisiana Bankers Association.

17 (f) One member who is appointed from a list of three private sector
18 individuals submitted by the Community Bankers Association.

19 (g) One member who is appointed from a list of three private sector
20 individuals submitted by the ~~Louisiana Society of Certified Public Accountants.~~
21 Society of Louisiana Certified Public Accountants.

22 ~~(h) One member who is appointed from a list of three private sector~~
23 ~~individuals submitted by the Louisiana members of the National Association of~~
24 ~~Security Dealers.~~

25 ~~(i)~~(h) One female member who is appointed from a list of three private sector
26 individuals representing women's business interests.

27 ~~(j) Repealed by Acts 2003, No. 907, §2.~~

28 ~~(k)~~(i) One member representing the Louisiana venture capital industry or the
29 Louisiana angel investor community.

1 ~~(j)~~ One member who is appointed from a list of three private sector
2 individuals submitted by and currently serving on the Louisiana Workforce
3 Investment Council Board.

4 * * *

5 §2320.1. Conflict of interest prohibited; recusal; exceptions

6 A. No member of the corporation, employee thereof, or employee of the
7 Department of Economic Development who is provided as staff to the corporation
8 shall either directly or indirectly be a party to or be in any manner interested in any
9 contract or agreement with the corporation for any matter, cause, or thing whatsoever
10 by reason whereof any liability or indebtedness shall in any way be created against
11 such corporation. If any contract or agreement shall be made in violation of the
12 provisions of this Section the same shall be null and void and no action shall be
13 maintained thereon against the corporation.

14 B.(1) The prohibition described in Subsection A of this Section does not
15 apply to a member of the corporation or an employee thereof if the respective
16 member recuses himself from voting on the otherwise prohibited contract or
17 agreement.

18 (2) Any member of the corporation who recuses himself from voting
19 pursuant to the provisions of this Subsection shall also be prohibited from
20 participating in any discussion or debate with respect to the otherwise prohibited
21 contract or agreement.

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 305 Reengrossed 2018 Regular Session Jefferson

Abstract: Makes modifications relative to the La. Economic Development Corp.

Present law generally provides for the La. Economic Development Corp., a board of directors, and other related matters.

Proposed law retains present law.

Present law provides for the board to consist of 12 members.

Proposed law amends present law to reduce board membership from 12 to 10 members.

Present law provides for the board to consist of 11 members who are appointed by the governor.

Proposed law reduces the number of governor-appointed members from 11 to 9.

Present law requires one member to be appointed from a list of three private sector individuals nominated by the La. Business League, or one minority member appointed from the La. business community at large.

Proposed law amends present law to require one member to be a minority member appointed from a list of three private sector individuals submitted by La.-based organizations representing minority business interests.

Present law requires one member to be appointed from a list of three private sector individuals submitted by the La. members of the National Association of Security Dealers.

Proposed law deletes present law.

Present law requires one member to represent the venture capital industry.

Proposed law amends present law to require one member to specifically represent the La. venture capital industry or the La. angel investor community.

Present law prohibits a corporate member or employee, or employee of the Dept. of Economic Development from being a direct or indirect party to or interested person in any contract or agreement with the corporation for any matter, cause, or thing for which liability or indebtedness would result against the corporation. Provides if any contract or agreement is made in violation of present law, such agreement or contract is null and void and no action will be maintained against the corporation.

Proposed law retains present law.

Proposed law adds that present law is not applicable to a member of the corporation or an employee thereof if the respective member recuses himself from voting on the otherwise prohibited contract or agreement. Further adds that any member of the corporation who recuses himself from voting is also prohibited from participating in any discussion or debate with respect to the otherwise prohibited contract or agreement.

(Amends R.S. 51:2311(A) and 2320.1)