2020 Regular Session

HOUSE BILL NO. 862

## BY REPRESENTATIVE GAROFALO

## ECONOMIC DEVELOPMENT: Provides for the COVID-19 Business Recovery and Growth Program

1	AN ACT
2	To enact R.S. 51:2312(A)(11) and (D)(15) and 2342, relative to the Department of
3	Economic Development and the Louisiana Economic Development Corporation; to
4	provide authority; to provide for duties; to create the COVID-19 Business Recovery
5	and Growth Program; to provide for promulgation of rules and regulations; to
6	provide for disposition of funds; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 51:2312(A)(11) and (D)(15) and 2342 are hereby enacted to read as
9	follows:
10	§2312. Powers and authority; duties
11	A. The corporation shall serve as the single review board for all financial
12	assistance, loans, incentives or inducements, customized workforce training,
13	investment programs, and any related appropriations, grants, or joint ventures
14	administered by the Department of Economic Development, excluding those
15	financial incentive programs administered by the State Board of Commerce and
16	Industry. The corporation shall formulate and implement the policies for the
17	delivery of services to obtain the following effects:
18	* * *

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1	(11) The provision of funds for qualified applicants affected by the 2019
2	coronavirus pandemic, hereinafter referred to as "COVID-19", to receive emergency
3	assistance.
4	* * *
5	D. The corporation is hereby authorized and shall have all the authority and
6	power necessary in order to carry out and effectuate the purposes and provisions of
7	this Chapter, including, without limiting the generality of the foregoing, the
8	following specific powers which shall be in addition to others herein granted:
9	* * *
10	(15)(a) To develop, implement, and oversee the COVID-19 Business
11	Recovery and Growth Program, utilizing federal funding related to the Coronavirus
12	Aid, Relief, and Economic Security Act or "CARES Act", Public Law 116-136,
13	subject to appropriation by the Louisiana legislaure.
14	(b) The Department of Economic Development shall promulgate rules and
15	regulations to govern the affairs and conduct of its business in order to effectuate the
16	provisions of this Paragraph.
17	* * *
18	§2342. COVID-19 Business Recovery and Growth Program
19	A. There is hereby created a COVID-19 Business Recovery and Growth
20	Program and placed within the Louisiana Economic Development Corporation,
21	hereinafter referred to as "the corporation". The COVID-19 Business Recovery and
22	Growth Program shall serve as a mechanism through which the Department of
23	Economic Development evaluates, financially assists, awards appropriations, grants,
24	or loans, engages in joint ventures, or provides incentives or inducements to qualified
25	applicants. The COVID-19 Business Recovery and Growth Program shall be
26	separate and distinguished from any tax exemption or incentive programs
27	administered by the Board of Commerce and Industry, all of which shall remain
28	unaffected by this Section.

1	B. The corporation shall develop a formal award program that includes an
2	application, review, evaluation, and award process. The corporation shall develop
3	rules and regulations in accordance with law which shall include the maximum
4	amount of awards and local matching monies.
5	C. Any private, quasi public, or public entity, or political subdivision of the
6	state seeking financial assistance pursuant to this Section from the state, through the
7	Department of Economic Development, in the form of an appropriation, loan,
8	guarantee, state-backed financial inducement or incentive, or participation in a joint
9	venture where state funds are appropriated, loaned, committed, or guaranteed shall
10	make application for the assistance to the corporation. The corporation's board shall
11	evaluate each project according to established criteria. Any project funded by the
12	sale of general obligation or revenue bonds and which is subject to the capital outlay
13	review process shall be exempt from the requirements of this Section.
14	D. The corporation's board shall review each application to determine if the
15	applicant has met the established criteria to receive funding and whether the
16	applicant shall receive the funding.
17	E. The legislature shall make an immediate appropriation to the COVID-19
18	Business Recovery and Growth Program for deposit in the Louisiana Economic
19	Development Fund under the terms and conditions as provided for in R.S. 51:2315.
20	Project awards shall be disbursed by the corporation's board.
21	F. The provisions of this Section shall not apply to programs, funds, or
22	projects administered by any department other than the Department of Economic
23	Development.

## 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 862 Original

2020 Regular Session

Garofalo

Abstract: Creates the COVID-19 Business Recovery and Growth Program.

<u>Present law</u> authorizes the Louisiana Economic Development Corporation ("the corporation") to serve as the single review board for all financial assistance, loans, incentives or inducements, customized workforce training, investment programs, and any related appropriations, grants, or joint ventures administered by the Department of Economic Development, excluding financial incentive programs administered by the State Board of Commerce and Industry.

<u>Present law</u> provides that the corporation shall formulate and implement policies for the delivery of services to obtain certain effects.

<u>Proposed law</u> retains <u>present law</u> and adds the provision of funds for qualified applicants who are affected by the 2019 coronavirus pandemic to receive emergency assistance as another effect that the corporation is required to obtain.

<u>Present law</u> authorizes the corporation to carry out and effectuate the purposes and provisions of <u>present law</u>.

<u>Proposed law</u> retains <u>present law</u> and further authorizes the corporation to develop, implement, and oversee the COVID-19 Business Recovery and Growth Program that utilizes federal funding related to the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act.

<u>Proposed law</u> creates the COVID-19 Business Recovery and Growth Program and places the program within the corporation.

<u>Proposed law</u> authorizes the corporation to promulgate rules and regulations in order to effectuate provisions of <u>proposed law</u>. Further, <u>proposed law</u> requires the corporation to develop a formal award program that includes an application, review, evaluation, and award process.

<u>Proposed law</u> requires any entity or political subdivision of the state seeking financial assistance pursuant to proposed law to make an application for assistance to the corporation.

(Adds R.S. 51:2312(A)(11) and (D)(15) and 2342)