
DIGEST

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HB 585 Original

2023 Regular Session

Echols

Abstract: Creates a council focused on economic development goals.

Proposed law provides for purpose.

Proposed law defines "accountability", "action plans", "bench marking", "goals", "mission", "objectives", "philosophy", "strategies", and "vision".

Proposed law creates the Council for Economic Prosperity.

Proposed law requires the council to consist of 17 members and that members be appointed starting the commencement of the 2024 Regular Session. The governor shall appoint 8 members, the Senate president shall appoint two members, and the speaker of the House shall appoint two members. Other members shall include the governor and the secretary of the LED. Council members may designate another person to represent him for work assigned by the council but not for meetings or voting.

Proposed law requires that members of the executive committee may not designate a representative for participation on the executive committee. The chairman may designate a representative for any meeting, duty, or responsibility pursuant to his membership on the council, except, notwithstanding any provision of law to the contrary, the chairman shall not designate a representative to chair the full council meeting at which final adoption of the master plan is considered and voted upon. The chairman shall preside over such a meeting.

Proposed law requires that the vice chair of the council be elected from the councils members. Quorum for the council shall be 9 members. Members shall be compensated for actual and necessary expenses incurred in the performance of official duties in accordance with state travel regulations.

Proposed law requires that the full council shall meet quarterly, but shall have authority to meet at times deemed necessary by either the chairman, the executive committee, or a majority of the members. Only one of the mandatory quarterly meetings shall take place in Baton Rouge. The other three meeting places will be determined by the chairman of the council.

Proposed law creates the State Plan for Economic Development.

Proposed law requires that the Council for Economic Prosperity shall formulate and establish the

state's economic development policy and coordinate and ensure its implementation through the Department of Economic Development, the office of the governor, and the division of administration. The council shall formulate the State Plan for Economic Development which shall include among other elements:

- (1) The vision, mission, and philosophy of the state in achieving economic prosperity, a robust business climate, and high quality employment opportunities for all La. citizens.
- (2) An economic model for La. for a twenty-year period, divided into five-year incremental planning and bench marking periods.
- (3) An analysis of the current global, hemispheric, and national economies, their impact on the economy of Louisiana, and the nature of the competitive environment within which the Louisiana work force and business community must compete.
- (4) An analysis of broad trends of economic change on the national and regional levels in the United States.
- (5) A comprehensive needs assessment and baseline analysis of the Louisiana infrastructure, business climate, transportation network, economic policy, educational systems, natural resources, rural development, economic mix, tax structures, revenue stream, industrial inducements and incentives, and manufacturing base. This analysis shall also assess Louisiana strengths and weaknesses relative to the external economic environment.
- (6) An analysis of the sustainability of the current Louisiana economy over time. A twenty-year plan, divided into five-year increments, with goals and objectives designed to attain an effective diversified economic mix of business and industry which would ensure economic prosperity, full employment, resistance to recession, and consistent growth consonant with national and global trends.
- (7) Broad strategies, which when implemented, will permit the state to fulfill goals and objectives of the economic vision set forth in the plan. In consultation with the cabinet advisory group, the council will also submit an outline of how the overall master plan and five-year objectives will be implemented through the submission of an annual Economic Development Action Plan. The action plan shall include strategies and action plans developed by the various departments and approved by the governor.
- (8) A comprehensive bench marking and accountability program to measure the performance of the Louisiana economy and work force and measure the effectiveness of and progress toward achieving the objectives of each strategy and action plan.

Proposed law requires that the council or the executive committee shall hold at least two public hearings for the specific purpose of gathering the testimony of the general public on the master plan, in order that more private citizens have input prior to submission of the plan to the legislature for approval.

Proposed law requires that the council shall adopt the final plan by a majority vote of the total council membership and shall submit the plan to the legislature for approval or rejection. The plan shall be submitted to the governor, the president of the Senate, the speaker of the House of Representatives, the chairman of the Senate Committee on Commerce, Consumer Protection, and International Affairs, and the chairman of the House Committee on Commerce no later than July 1, 2024. The legislature shall, by majority vote of the membership of each house, adopt a concurrent resolution to accept, reject, or return the master plan to the council for revision. Any rejected or revised plan which is resubmitted when the legislature is not in session, or is in session but is constitutionally prohibited from considering a resolution of adoption, may be adopted by a majority vote of the House of Representatives and of the Senate through a written ballot procedure.

Proposed law requires that the State Plan for Economic Development shall be updated and resubmitted every five years, commencing with the July 1, 2024, initial submission. The reformulation and updating of the master plan every five years shall incorporate a new twenty-year time frame, also divided into five-year components.

Proposed law creates an annual action plan. On the first of July of each year following submission of the original master plan, the council shall submit an annual report and plan to be known as the Economic Development Action Plan to the governor, the president of the Senate, the speaker of the House of Representatives, the chairman of the Senate Committee on Commerce, Consumer Protection, and International Affairs, and the chairman of the House Committee on Commerce.

Proposed law requires that the annual action plan shall include the following, among other elements:

- (1) A report of council work, deliberations, and actions during the prior year.
- (2) A comprehensive program of recommended strategies and action plans for implementation in the next state fiscal year, including budgetary, legislative, regulatory, program, and private sector initiatives. Each strategy and action plan shall have measurable goals and objectives which are fully integrated into the master plan bench marking and accountability model.
- (3) An overview of the bench marking and accountability program and presentation of the results obtained during the prior year. An analysis of the strengths and weaknesses of all initiatives, operational strategies, and action plans implemented in the prior year.
- (4) An explanation of why any strategies or initiatives were not implemented or failed, and recommendations on how to achieve their successful implementation.
- (5) An analysis of changes and trends in the external economic environment.

Proposed law requires that the council shall establish guidelines by which all economic development funding, awards, grants, incentives, and guarantees are prioritized, whether such issue from the office of the secretary, any other office of the department, or through any program of the Louisiana Economic Development Corporation.

Proposed law requires that the council shall establish a seven-member executive committee, to be chaired by the vice chairman of the council, which shall have authority to call meetings of the council, establish committee schedules, direct the work of staff on loan or assignment, meet with the governor and the Advisory Commission on Economic Development, and represent the council before the legislature.

Proposed law states that the executive committee shall have authority to divide the work of the council into discrete areas and to establish and appoint subcommittee.

Proposed law requires that the executive committee shall meet at least once quarterly with the Advisory Commission on Economic Development to exchange information and facilitate implementation strategies. The executive committee may request assignment of one staff member from each agency represented on the advisory group for utilization on an ad hoc basis with the council or a subcommittee of the council.

Proposed law provides that the council shall have authority to promulgate all rules, regulations, and procedures, and to hold hearings, as it deems necessary and appropriate to its responsibilities and charge, pursuant to the Administrative Procedure Act.

Proposed law requires that the governor shall direct all appropriate agency heads to implement all budgetary, regulatory, and programmatic strategies and actions recommended in the State Plan for Economic Development and in each annual Economic Development Action Plan, subject to constitutional restrictions.

Proposed law requires that the commissioner of administration shall implement all budgetary and programmatic strategies and actions recommended in each annual action plan and shall require their inclusion by any impacted department in all appropriate budget, program, and planning documents. Actions having budgetary or programmatic impact shall be included in the preparation and submission of the executive budget to the legislature.

Proposed law creates the Advisory Commission on Economic Development.

Proposed law requires that the Advisory Commission on Economic Development shall be comprised of the lieutenant governor or his designee the secretary of the Department of Economic Development, the commissioner of the division of administration the secretary of the Department of Transportation and Development the secretary of the Workforce Commission, the secretary of the Department of Natural Resources, the secretary of the Department of Environmental Quality, the superintendent of education, the state treasurer or his designee, the commissioner of the Department of Agriculture and Forestry, and the secretary of the Department of Children and Family Services.

Proposed law requires that the advisory group shall advise, coordinate with, and provide research, informational, and staff support to the Council for Economic Prosperity upon the request of the council or executive committee. The commissioner of administration shall assign a staff member with expertise in strategic planning to the advisory group. The secretary of the Department of Economic Development shall assign a staff member with expertise in strategic planning who is part

of the master plan staff team to the advisory group, and shall act as administrator of the Advisory Commission on Economic Development.

Proposed law requires that the advisory commission shall meet quarterly with the executive committee of the council to exchange information and facilitate implementation of the master plan and annual action plans.

Proposed law requires that each member of the advisory commission direct the implementation of the policies, directives, and components of the State Plan for Economic Development and any budgetary, legislative, regulatory, or program initiative contained in an Economic Development Action Plan which would affect or require the action of the agency of his responsibility and charge.

(Adds R.S. 51:2400.1-2400.10)