

Regular Session, 2013

HOUSE BILL NO. 422

BY REPRESENTATIVE TALBOT

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

ECONOMIC DEVELOP/DEPT: Makes changes to the unified economic development budget report and requires report to be annual

1 AN ACT

2 To amend and reenact R.S. 51:935.1(A), (B)(1), (2), (4), and (5), (D), and (E)(1)(a) and (3)
3 and to repeal R.S. 51:935.1(C), relative to the unified economic development budget
4 report; to require an annual report; to delete need for independent economist contract
5 and consultation requirements; to require report submission to all members of the
6 legislature; to simplify report contents by repealing certain content requirements; and
7 to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 51:935.1(A), (B)(1), (2), (4), and (5), (D), and (E)(1)(a) and (3) are
10 hereby amended and reenacted to read as follows:

11 §935.1. Unified economic development budget report

12 A.(1)(~~a~~) The Department of Economic Development shall issue a ~~biennial~~ an
13 annual unified economic development budget report which shall be ~~prepared by an~~
14 ~~independent economist selected by and under contract with the division of~~
15 ~~administration, who shall approve the methodologies and assumptions used in~~
16 ~~preparation of the report, and if appropriate, after consultation with the Economic~~
17 ~~Estimating Conference, the Revenue Estimating Conference, the legislative auditor,~~
18 ~~the legislative fiscal office, the Department of Economic Development, the~~
19 ~~Department of Revenue, and the Louisiana Workforce Commission.~~

1 ~~(b) The report shall be certified by the Economic Estimating Conference, the~~
2 ~~Revenue Estimating Conference, and the legislative fiscal office, as to both the~~
3 ~~sufficiency of the data, information, and reports upon which the report is based and~~
4 ~~the material correctness of the report, or a written summary shall be provided to the~~
5 ~~division of the reasons why the conference or office cannot certify or can only~~
6 ~~partially certify the report.~~

7 ~~(c) No employer, whether participating in economic development programs~~
8 ~~or otherwise, shall be required to supply any additional report, information, or data~~
9 ~~in connection with or related to any provision of this Section.~~

10 ~~(2) The report shall be submitted to the governor, the president of the Senate,~~
11 ~~the speaker of the House of Representatives, the chair of the Senate Commerce,~~
12 ~~Consumer Protection, and International Affairs Committee, the chair of the House~~
13 ~~Commerce Committee, every member of the legislature, and the David R. Poynter~~
14 ~~Legislative Research Library.~~

15 ~~(3) The Department of Economic Development and the division of~~
16 ~~administration shall provide the following by November 15, 2003 to the individuals~~
17 ~~and library specified in Paragraph (A)(2):~~

18 ~~(a) A list of all the state economic development programs which shall be~~
19 ~~included in the report, as recommended by the Louisiana Economic Development~~
20 ~~Council and the division, and submitted only after it has been subjected to public~~
21 ~~comment at a public meeting held before November 1, 2003.~~

22 ~~(b) A written assessment of their ability to access, collect, and analyze the~~
23 ~~information necessary to create the report provided for in this Section.~~

24 ~~(2) Every employer participating in an economic development program~~
25 ~~within the Department of Economic Development shall be required to supply any~~
26 ~~additional report, information, or data at the request of the department in connection~~
27 ~~with or related to any provision of this Section.~~

28 B. The report shall include:

29 (1) A complete listing of each state economic development program ~~which~~
30 ~~the division of administration has agreed should be included in the report and the~~

1 ~~agency or corporation which administers them, if any~~ within the Department of
2 Economic Development.

3 (2) A description of how the ~~agency or corporation~~ Department of Economic
4 Development administers ~~its~~ each program and how that administration serves to
5 promote, attract, and retain commerce and industry in the state.

6 * * *

7 (4) The following performance data, including both direct and indirect
8 impact, for each economic development program for the ~~two~~-fiscal year period being
9 reported, and, ~~beginning with the report issued on November 15, 2007,~~ a comparison
10 to the ~~two~~-fiscal years fiscal year previously reported and the average of all prior
11 fiscal years previously reported, or the reasons why such data is not available:

12 (a) The dollar amount of new investment in physical assets in the state.

13 (b) The actual number and gross payroll of new permanent full and part-time
14 jobs created during the ~~two-year~~ fiscal year period and the number and payroll of
15 jobs created in previously reported periods.

16 (c) The actual number and gross payroll of jobs retained as compared to the
17 number and payroll of jobs existing prior to the entry of the employers into a
18 program.

19 (d) Of the jobs created and retained, the actual number and gross payroll of
20 jobs held by those employees who are residents of the state.

21 ~~(d)~~ (e) Wage rates and benefits of the new permanent full-time and part-time
22 jobs created, and those of the jobs retained, as compared to the wage rates and
23 benefits existing prior to the entry of the employers into the program.

24 ~~(e)~~ (f) Tax revenues generated per tax year by employers participating in the
25 programs, ~~as determined by the division of administration~~ based upon tax data and
26 information for all employers participating in such programs which shall be supplied
27 ~~to the division~~ by the Department of Revenue, ~~and certified by the Revenue~~
28 ~~Estimating Conference.~~

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)]

Talbot

HB No. 422

Abstract: Requires the unified economic development budget report to be annual instead of biennial, requires that all members of the legislature receive the report and makes other changes to simplify the process for reporting.

Present law requires the Dept. of Economic Development (DED) to issue a unified economic development budget report every two years. Requires the report to be prepared by an independent economist under contract with the division of administration. Requires the methodologies and assumptions of the report to be developed in consultation with the Economic Estimating Conference, the Revenue Estimating Conference, the legislative auditor, the legislative fiscal office, DED, the Dept. of Revenue and the La. Workforce Commission. Requires the report to be certified by the Economic Estimating Conference, the Revenue Estimating Conference, and the legislative fiscal office. Proposed law requires the report to be issued annually, instead of biennially and deletes all other present law requirements.

Present law requires the report to be submitted to the governor, the president of the Senate, the speaker of the House, the chairs of the House and Senate commerce committees, and the legislative research library. Proposed law changes present law submission requirement to include every member of the legislature and not just the chairs of the House and Senate commerce committees.

Proposed law requires every employer participating in an economic development program within DED to supply any additional report, information, or data, at the request of the department, in connection with or related to any provision of the report.

Present law requires the report to include various pieces of information, including a complete listing of each state economic development program and the tax revenues generated by employers participating in the programs that the division of administration agrees should be included in the report. Proposed law retains present law except applies the report to those state economic development programs within DED only and removes the need for the list or information to be agreed upon by the division of administration.

Present law requires report to include data regarding the dollar amount of new investment in physical assets in the state, the actual number and gross payroll of new permanent full-and part-time jobs created, the actual number and gross payroll of jobs retained, wage rates and benefits of the new permanent full-time and part-time jobs created and retained, and the tax revenues generated by employers. Proposed law retains present law and requires the report to include data relative to the actual number and gross payroll of jobs held by employees who are residents of the state.

Proposed law repeals present law requirement that the report classify the performance data according to three digit North American Industrial Classification System Codes and categorize by DED Vision 2020 clusters.

Present law requires a competitive analysis of the benefits offered in the economic development programs in this state compared to those offered in the regional states with

which the state competes for economic development. Proposed law retains present law except changes the comparison to neighboring states instead of regional states.

(Amends R.S. 51:935.1(A), (B)(1), (2), (4), and (5), (D), and (E)(1)(a) and (3); Repeals R.S. 51:935.1(C))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Required every employer participating in an economic development program within DED to supply any additional report, information, or data, at the request of the department, in connection with or related to any provision of the report.
2. Applied the report to those state economic development programs within DED only.
3. Required the report to include data relative to the actual number and gross payroll of jobs held by employees who are residents of the state.
4. Changed the comparison in the competitive analysis of the benefits offered in the economic development programs in this state compared to those offered in other states from regional states to neighboring states.
5. Made various technical changes.