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## DIGEST

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Robideaux

HB No. 571

**Abstract:** Provides for eligibility for the Enterprise Zone Program, and temporarily suspends the Competitive Projects Payroll Incentive Program, the Corporate Headquarters Relocation Program, and rebates for donations to school tuition organizations.

Present law establishes the Enterprise Zone Program which provides for tax credits and rebates for eligible businesses.

Present law grants benefits under the program based on numbers of jobs. Part-time jobs may be counted for purposes of eligibility.

Proposed law deletes present law authorizing participation based on part-time employees.

Present law provides for specific eligibility criteria with respect to employees in jobs which are eligible for program benefits. The criteria include a requirement that an employee receive public assistance prior to employment.

Proposed law retains present law and specifies that the person shall have been receiving public assistance for six months prior to employment.

Proposed law adds a limitation on eligibility for retail businesses. If such a business has more than 100 employees nationwide it must be a pharmacy or grocery store located within an enterprise zone.

Present law authorizes a rebate payment equal to the amount of a donation to a Student Tuition Organization for purposes of creating scholarships for students at poorly performing public schools to instead attend nonpublic schools.

Proposed law suspends present law, including the authority to issue or pay a rebate, from July 1, 2013 through June 30, 2016. Present law shall have full force and effect on July 1, 2016. However, proposed law shall not apply with respect to the satisfaction of any claim for a rebate based on a donation made between Jan. 1, 2013 and June 30, 2013.

Present law establishes the Competitive Projects Payroll Incentive Program which provides for rebate payments equal to 15% of payroll expenses for the following types of businesses: manufacturing of numerous durable goods and pharmaceutical products, conversion of natural gas to other fuel, data storage, data services, and any activities recommended by the secretary of

the Dept. of Economic Development.

Proposed law suspends present law, including the authority to enter into contracts for rebates from July 1, 2013 through June 30, 2016. Present law shall have full force and effect on July 1, 2016. However, proposed law shall not apply in cases where the secretary of the Dept. of Economic Development has entered into a cooperative endeavor agreement with a business entity for purposes of receiving the rebate incentive authorized under present law, regardless of whether the contract has been approved by the Joint Legislative Committee on the Budget prior to July 1, 2013.

Present law establishes the Corporate Headquarters Relocation Program which provides rebate payments equal to 25% of qualifying relocation expenses for business which move their corporate headquarters to La. Requirements for participation include the creation of at least 25 "headquarters jobs".

Proposed law suspends present law, including the authority to enter into contracts for rebates from July 1, 2013 through June 30, 2016. Present law shall have full force and effect on July 1, 2016. However, proposed law shall not apply in cases where the secretary of the Dept. of Economic Development has entered into a cooperative endeavor agreement with a business entity for purposes of receiving the rebate incentive authorized under present law, regardless of whether the contract has been approved by the Joint Legislative Committee on the Budget prior to July 1, 2013.

Effective if the proposed amendments of the La. Const. contained in the Joint Resolutions which originated as HB Nos. 434, 435, and 436 of the 2013 R.S. are concurred in by both houses of the legislature and HB Nos. 1, 437, 474, 571, 620, 653, and 696 of this 2013 R.S. are enacted into law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 51:1787(A)(3) and (B)(3) and 1791; Adds R.S. 47:6302 and R.S. 51:3116 and 3122)

### Summary of Amendments Adopted by House

#### House Floor Amendments to the original bill.

1. Changes eligibility provisions of the Enterprise Zone Rebate Program.
2. Deletes part-time employees from eligibility for participation in the enterprise zone program.
3. Adds limitation on the participation of certain large retail businesses in the enterprise zone program.

4. Adds effectiveness provisions, including contingencies regarding other legislation.

House Floor Amendments to the engrossed bill.

1. Adds to the requirement that an employee be receiving some form of public assistance for six months prior to employment.
2. Suspends provisions of the Student Tuition Organization rebate program from July 1, 2013 to June 30, 2016, with certain exceptions.
3. Suspends provisions of the Competitive Projects Payroll rebate program from July 1, 2013 to June 30, 2016, with certain exceptions.
4. Suspends provisions of the Corporate Headquarters Relocation rebate program from July 1, 2013 to June 30, 2016, with certain exceptions.