The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Thomas L. Tyler.

## DIGEST 2015 Regular Session

Walsworth

<u>Present law</u> authorizes the State Board of Commerce and Industry to execute contracts with businesses for certain tax incentives under the Louisiana Enterprise Zone Act ("Act"), after consultation with the secretaries of the Department of Economic Development and the Department of Revenue, and with the governor's approval.

<u>Present law</u> provides that to be eligible for an incentive under the program, businesses are to certify that at least 50% of their employees meet at least one of the following qualifications:

- (1) The employees are residents of either an enterprise zone in Louisiana, for a business located in an urban enterprise zone or a business not located in either an enterprise zone or an economic development zone or that the employees reside in the same parish as the location of the business, or any enterprise zone in Louisiana, for a business located in a rural enterprise zone, an economic development zone, or an enterprise zone in Calcasieu Parish.
- (2) The employees were receiving some form of public assistance during the six-month period prior to employment.
- (3) The employees were considered unemployable by traditional standards, or lacking in basic skills.

## Proposed law retains these provisions.

SB 185 Original

<u>Present law</u> provides that in addition to the residence requirement, eligibility for a retail business, assigned a North American Industry Classification Code (NAICC) of 44 or 45 having more than 100 employees nationwide including affiliates prior to the contract effective date, is limited to grocery stores and pharmacies located in an enterprise zone, as those terms are defined by department rules are eligible to participate in the incentive program.

<u>Proposed law</u> changes the number of nationwide employees to more than 50 employees instead of no more than 100 employees and allows retail businesses with a NAICC of 722 to participate in the incentive program.

<u>Proposed law provides</u> that businesses with a NAICC of 44, 45, or 722 which are located in a parish having a population not in excess of 75,000 persons and businesses located in an enterprise zone within a parish having a population in excess of 75,000 persons and which businesses have 50 or fewer employees nationwide including affiliates prior to the contract's effective date are allowed to participate in the incentive program under the Act.

<u>Proposed law</u> applies to any contract for which an advance notification form is filed on or after the effective date of proposed law.

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

(Amends R.S. 51:1787(B)(3)(b))