

Regular Session, 2013

ACT No. 387

HOUSE BILL NO. 422

BY REPRESENTATIVE TALBOT

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

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AN ACT

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

Be it enacted by the Legislature of Louisiana:

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

§935.1. Unified economic development budget report

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

~~(b) The report shall be certified by the Economic Estimating Conference, the Revenue Estimating Conference, and the legislative fiscal office, as to both the sufficiency of the data, information, and reports upon which the report is based and the material correctness of the report, or a written summary shall be provided to the~~

1 ~~division of the reasons why the conference or office cannot certify or can only~~
2 ~~partially certify the report.~~

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

6 ~~(2) The report shall be submitted to the governor, the president of the Senate,~~
7 ~~the speaker of the House of Representatives, the chair of the Senate Commerce,~~
8 ~~Consumer Protection, and International Affairs Committee, the chair of the House~~
9 ~~Commerce Committee, every member of the legislature electronically, and the David~~
10 ~~R. Poynter Legislative Research Library, as provided in R.S. 24:772.~~

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

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

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

20 (2) Upon request by the Department of Economic Development, the
21 Department of Revenue and the Louisiana Workforce Commission shall provide any
22 information in their possession needed by the Department of Economic Development
23 for preparation of the report. The Department of Economic Development shall not
24 disclose any confidential data provided, and shall not include any confidential
25 information in the report in an individually identifiable form.

26 B. The report shall include:

27 ~~(1) A complete listing of each state economic development program which~~
28 ~~the division of administration has agreed should be included in the report and the~~
29 ~~agency or corporation which administers them, if any.~~

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

4 ~~(3) The total direct cost of benefits provided under each economic~~
5 ~~development program for the preceding two fiscal years, together with an estimate~~
6 ~~of the projected direct cost for the current and next two fiscal years.~~

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 previously reported and the average of all prior fiscal years~~
11 ~~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 period and the number and payroll of jobs created~~
15 ~~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) Wage rates and benefits of the new permanent full-time and part-time jobs~~
20 ~~created, and those of the jobs retained, as compared to the wage rates and benefits~~
21 ~~existing prior to the entry of the employers into the program.~~

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

26 ~~(5) An estimate of the total direct and indirect economic impact for each~~
27 ~~economic development program on Louisiana based upon the performance data~~
28 ~~provided for in Paragraphs (B)(3) and (4).~~

29 B.(1) The report in each year shall include at least twenty-five percent of the
30 economic development programs within the Department of Economic Development.

1 Each economic development program within the department shall be included in the
2 report at least once every four years. New economic development programs created
3 within the department shall be included in the report not later than two years after the
4 year of creation.

5 (2) The report shall include, as applicable, the following:

6 (a) A list of all state economic development programs within the Department
7 of Economic Development, including program title and statutory citation.

8 (b) A description of the economic development programs covered by the
9 report, including the purposes of the programs, qualifying businesses, type of
10 incentive, and how administered.

11 (c) For the immediately prior fiscal year, if it is the initial report on a
12 program, and for all fiscal years since the last report on the program, if it is a
13 subsequent report, based upon actual data to the extent available and upon estimates
14 to the extent actual data is not available:

15 (i) The amount of incentives issued.

16 (ii) The administrative cost of the program.

17 (iii) The number of permanent, new and retained, full-time and part-time
18 jobs, amount of associated payroll, amount of capital investment, and any other
19 economic benefit associated with utilization of the program.

20 (iv) The economic impact of the program, including impact on state tax
21 revenues.

22 (v) The overall impact of the program.

23 (d) For the current and next fiscal year, estimates of all of the following:

24 (i) The amount of incentives to be issued.

25 (ii) The administrative cost of the program.

26 (iii) The number of permanent, new and retained, full-time and part-time
27 jobs, amount of associated payroll, amount of capital investment, and any other
28 economic benefit associated with utilization of the program.

29 (iv) The economic impact of the program, including impact on state tax
30 revenues.

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(v) The overall impact of the program.

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E.(1)(a) ~~Beginning in 2004, the~~ The legislative auditor shall conduct an annual performance audit designed to evaluate the management controls, accuracy, and reliability of the reported information on at least three economic development programs as defined in this Section. The economic development programs that are to be audited shall be selected by the legislative auditor.

* * *

(3) In addition to the Legislative Audit Advisory Committee, the performance audit shall be submitted to the Economic Estimating Conference, every member of the legislature, and the legislative fiscal office.

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Section 2. R.S. 51:935.1(C) and (D) are hereby repealed in their entirety.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.