

2019 Regular Session

SENATE BILL NO. 214

BY SENATORS WHITE AND CLAITOR AND REPRESENTATIVE FOIL

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

ECONOMIC DEVELOPMENT. Provides relative to the Department of Economic Development and the Board of Commerce and Industry. (gov sig)

1 AN ACT

2 To amend and enact R.S. 51:923; relative to the Department of Economic Development and  
3 the Board of Commerce and Industry; to provide for the members, authority, and  
4 powers and duties of the members of the board; to provide for local public entity  
5 participation; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 51:923 is hereby amended and reenacted to read as follows:

8 §923. Department of Economic Development; Board of Commerce and Industry;  
9 membership

10 A. The Department of Economic Development is hereby created and shall be  
11 advised by a board to be known as the State Board of Commerce and Industry which  
12 board shall exercise the powers delegated to it by Article VII, Section 21(F), of the  
13 Constitution of Louisiana.

14 B.(1) The Except as provided in Paragraph (2) of this Subsection, the  
15 board shall consist of twenty-four members, fifteen of whom shall be appointed by  
16 the governor from among representatives of the major economic groups within the  
17 state of Louisiana; one who shall be an elected municipal official appointed by the

1 governor from a list of three names submitted by the Louisiana Municipal  
2 Association; and one who shall be an elected police juror, councilman,  
3 commissioner, or parish president appointed by the governor from a list of three  
4 names submitted by the Police Jury Association.

5 (2)(a)When matters are submitted to the board in furtherance of the  
6 powers delegated to it by Article VII, Section 21(F) of the Constitution of  
7 Louisiana, in addition to the members appointed as provided in Paragraph (1)  
8 of this Subsection, the board shall include the following additional three  
9 members representing the local taxing authorities for the parish in which the  
10 project under consideration is located as follows:

11 (i) One member appointed by the presiding officer of the parish  
12 governing authority.

13 (ii) One member appointed by the presiding officer of the school board.

14 (iii) One member appointed by the sheriff of the parish.

15 (b) The members appointed pursuant to this Paragraph shall constitute  
16 a local review board. The local review board shall act as a representative of its  
17 respective parish and as a special subcommittee of the State Board of  
18 Commerce and Industry. The members of the local review board may  
19 participate in and vote on matters affecting that parish that are submitted to the  
20 State Board of Commerce and Industry pursuant to Article VII, Section 21(F)  
21 of the Constitution of Louisiana.

22 (c) The terms of the additional members provided in this Paragraph shall  
23 run concurrent with the term of their appointing authority and are not subject  
24 to the provisions of R.S. 51:924. A member appointed shall continue to serve  
25 until his successor is appointed and takes office. The members are subject to the  
26 provisions of R.S. 51:925 and shall not hold public office or be an employee of  
27 any of the appointing authorities as specified in this Paragraph.

28 (d) There may be at any board meeting appointees from one or more  
29 parishes, however, only those members from the parish in which the subject

1 property is located shall be considered as members of the board with full  
2 authority to participate and vote on the item before the board.

3 (e)(i) Prior to the consideration by the full board, the members from the  
4 parish in which a project under consideration is located may meet as a local  
5 review board and subcommittee of the board. Such meetings may be held at a  
6 location other than the domicile of the board and are subject to the provisions  
7 of the Open Meetings Law, R.S. 42:11 et seq.

8 (ii) If the local review board and subcommittee by a majority vote  
9 recommends that an item be approved, the item shall be sent to the full board  
10 for its consideration. If the local subcommittee by majority vote rejects an item,  
11 the full board may not consider the item except by a majority vote of the full  
12 membership of the board including the relevant local members.

13 (f) The board shall adopt rules pursuant to the Administrative Procedure  
14 Act as necessary for the effective administration of this Paragraph relative to  
15 the local review board's jurisdiction and procedure. A local review board may  
16 adopt rules pursuant to the Administrative Procedures Act as are necessary for  
17 the administration of any such local review board and subcommittee, which  
18 rules shall not be in conflict with the rules adopted by the State Board of  
19 Commerce and Industry. Any rule which is in conflict with the rules adopted  
20 by the State Board of Commerce and Industry shall be null, void, and of no  
21 effect. The State Board of Commerce and Industry is authorized to act as a  
22 review body to determine which local review board rules are in conflict with  
23 rules of the State Board of Commerce and Industry for purposes of conducting  
24 business by the board.

25 C. In addition, the governor or his designee, the lieutenant governor or his  
26 designee, the secretary of the Department of Economic Development or his designee,  
27 the chair of the Senate Committee on Revenue and Fiscal Affairs or his designee, the  
28 chair of the Senate Committee on Commerce, Consumer Protection, and  
29 International Affairs or his designee, the chair of the House of Representatives

1           Committee on Ways and Means or his designee, and the chair of the House of  
2           Representatives Committee on Commerce or his designee, shall be ex officio  
3           members of the board with full right to participate in and vote on all matters.

4           Section 2. This Act shall become effective upon signature by the governor or, if not  
5           signed by the governor, upon expiration of the time for bills to become law without signature  
6           by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
7           vetoed by the governor and subsequently approved by the legislature, this Act shall become  
8           effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Leonore Heavey.

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## DIGEST

SB 214 Engrossed

2019 Regular Session

White

Present constitution authorizes the Board of Commerce and Industry, with gubernatorial approval, to enter into contracts to exempt new and expanding manufacturing facilities from local ad valorem taxation.

Present law creates the Board of Commerce and Industry and provides for its membership.

Proposed law adds three local government appointees to the Board of Commerce and Industry to represent the local taxing authorities for the parish in which the project under consideration is located when the Board is exercising its constitutional authority to enter into tax exemption contracts.

- (1) One member appointed by the presiding officer of the authority.
- (2) One member appointed by the presiding officer of the school board.
- (3) One member appointed by the sheriff.

Proposed law provides that the members appointed shall constitute a local review board that shall serve as a representative of its respective parish and as a special subcommittee of the State Board of Commerce and Industry.

Proposed law gives full right to participate in and vote on matters to the local review board members when the board is considering an exemption contract for a project located in their parish.

Proposed law provides that the terms of the local members will run concurrently with their appointing authority and does not require Senate confirmation of the local members.

Proposed law requires that local members are qualified electors that do not hold public office and are not employees of any of the appointing authorities.

Proposed law authorizes the three appointees from a parish to hold local review board and subcommittee meetings to determine whether to approve or reject an application for an exemption contract in their parish. Such meetings may be held outside Baton Rouge and are subject to the Open Meetings Law.

Proposed law provides that if an item is approved by a local review board or subcommittee it shall be forwarded to the board for approval. If an item is rejected the board may only consider the item if the board, including the appropriate local members, by majority vote brings the item up for consideration.

Proposed law permits each local review board to adopt rules pursuant to the Administrative Procedures Act as necessary for its administration as long as those rules are not in conflict with the rules adopted by the State Board of Commerce and Industry. Any rule in conflict with the rules adopted by the State Board of Commerce and Industry shall be null, void and of no effect. The state board is authorized to act as a review board to determine if local review board rules are in conflict.

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

(Amends R.S. 51:923)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs

1. Provided relative to local review board, including adoption of rules.
2. Technical.