SLS 201ES-25 ORIGINAL

2020 First Extraordinary Session

SENATE CONCURRENT RESOLUTION NO. 4

BY SENATOR FOIL

TAX/TAXATION. Requests the study of the feasibility of establishing a tax credit program as a funding mechanism for public-private partnership investment in Louisiana infrastructure projects.

## A CONCURRENT RESOLUTION

To urge and request the Division of Administration, the Department of Economic Development, the Department of Insurance, the Department of Revenue, and the Department of Transportation and Development to study and make recommendations relative to the feasibility of establishing a funding mechanism for public-private partnership investment in Louisiana infrastructure projects, including the establishment of a public-private partnership investment tax credit program.

WHEREAS, the development of public infrastructure projects in Louisiana could lead to growth and economic development in this state, relieve traffic congestion, provide for the ability of business and industry to compete cost effectively on a regional, national, and global scale, and improve the quality of life for the people of this state; and

WHEREAS, public revenue, including federal funds, has not kept pace with the state's growing infrastructure project needs and alternative and innovative funding sources, including public-private partnerships to supplement public revenue sources, are necessary; and

WHEREAS, it is essential to effectively plan and address the fiscal implication of funding the state's infrastructure projects and it is in the best interest of this state to promote the development of public infrastructure projects that are funded through a partnership of the

private sector and state and local governmental entities in Louisiana; and

WHEREAS, determining if the establishment of a public-private partnership investment tax credit program to offset any tax imposed by the state, including income and corporate franchise taxes, insurance premium taxes, and bank taxes should be considered to assist in financing infrastructure projects in this state; and

WHEREAS, the departments shall consider the administrative feasibility of authorizing tax credits for multiple taxes administered by different executive branch agencies; and

WHEREAS, the House Committee on Ways and Means in hearings during the 2019 Regular Session of the Legislature heard House Bill No. 607 by Representative Foil that proposed to establish an investment program that establishes a tax credit for public-private partnership investment in Louisiana infrastructure projects, and discussed and determined that it would be appropriate and necessary for a committee to study and make recommendations regarding the practicality and feasibility of establishing a funding mechanism for public-private partnership investment in Louisiana infrastructure projects; and

WHEREAS, in conducting this study and making recommendations, the departments may consult with any other entity or individual they deem appropriate.

THEREFORE, BE IT RESOLVED that the Senate and the House of Representatives of the Legislature of Louisiana do hereby urge and request the Division of Administration, the Department of Economic Development, the Department of Insurance, the Department of Revenue, and the Department of Transportation and Development to work collaboratively to study and make recommendations relative to the practicality and feasibility of establishing a funding mechanism for public-private partnership investment in Louisiana infrastructure projects that may include the establishment of a public-private partnership investment tax credit program.

BE IT FURTHER RESOLVED that the departments shall jointly submit a written report detailing the results of their study and recommendations to the Senate and House Committees on Transportation, Highways and Public Works, the Senate Committee on Revenue and Fiscal Affairs, and the House Committee on Ways and Means prior to

SLS 201ES-25

ORIGINAL
SCR NO. 4

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BE IT FURTHER RESOLVED that the departments should also consider the administrative feasibility of authorizing tax credits for multiple taxes administered by different executive branch agencies.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the Commissioner of Administration, the secretary of the Department of Economic Development, the commissioner of insurance, the secretary of the Department of Revenue, and the secretary of the Department of Transportation and Development.

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

## **DIGEST**

SCR 4 Original

2020 First Extraordinary Session

Foil

Urges and requests the Departments of Economic Development, Insurance, Revenue, Transportation and Development and the Division of Administration to study and make recommendations relative to the practicality and feasibility of establishing a funding mechanism for public-private partnership investment in Louisiana infrastructure projects.

Requests the departments to submit a report detailing the results of the study and the recommendations to the Senate and House Committees on Transportation, Highways and Public Works, the Senate Committee on Revenue and Fiscal Affairs, and the House Committee on Ways and Means no later than March 1, 2021.