

2020 Regular Session

HOUSE BILL NO. 862

BY REPRESENTATIVE GAROFALO

ECONOMIC DEVELOPMENT: Provides for the COVID-19 Business Recovery and Growth Program

1 AN ACT

2 To enact R.S. 51:2312(A)(11) and (D)(15) and 2342, relative to the Department of
3 Economic Development and the Louisiana Economic Development Corporation; to
4 provide authority; to provide for duties; to create the COVID-19 Business Recovery
5 and Growth Program; to provide for promulgation of rules and regulations; to
6 provide for disposition of funds; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 51:2312(A)(11) and (D)(15) and 2342 are hereby enacted to read as
9 follows:

10 §2312. Powers and authority; duties

11 A. The corporation shall serve as the single review board for all financial
12 assistance, loans, incentives or inducements, customized workforce training,
13 investment programs, and any related appropriations, grants, or joint ventures
14 administered by the Department of Economic Development, excluding those
15 financial incentive programs administered by the State Board of Commerce and
16 Industry. The corporation shall formulate and implement the policies for the
17 delivery of services to obtain the following effects:

18 * * *

1 B. The corporation shall develop a formal award program that includes an
2 application, review, evaluation, and award process. The corporation shall develop
3 rules and regulations in accordance with law which shall include the maximum
4 amount of awards and local matching monies.

5 C. Any private, quasi public, or public entity, or political subdivision of the
6 state seeking financial assistance pursuant to this Section from the state, through the
7 Department of Economic Development, in the form of an appropriation, loan,
8 guarantee, state-backed financial inducement or incentive, or participation in a joint
9 venture where state funds are appropriated, loaned, committed, or guaranteed shall
10 make application for the assistance to the corporation. The corporation's board shall
11 evaluate each project according to established criteria. Any project funded by the
12 sale of general obligation or revenue bonds and which is subject to the capital outlay
13 review process shall be exempt from the requirements of this Section.

14 D. The corporation's board shall review each application to determine if the
15 applicant has met the established criteria to receive funding and whether the
16 applicant shall receive the funding.

17 E. The legislature shall make an immediate appropriation to the COVID-19
18 Business Recovery and Growth Program for deposit in the Louisiana Economic
19 Development Fund under the terms and conditions as provided for in R.S. 51:2315.
20 Project awards shall be disbursed by the corporation's board.

21 F. The provisions of this Section shall not apply to programs, funds, or
22 projects administered by any department other than the Department of Economic
23 Development.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 862 Original

2020 Regular Session

Garofalo

Abstract: Creates the COVID-19 Business Recovery and Growth Program.

Present law authorizes the Louisiana Economic Development Corporation ("the corporation") to serve as the single review board for all financial assistance, loans, incentives or inducements, customized workforce training, investment programs, and any related appropriations, grants, or joint ventures administered by the Department of Economic Development, excluding financial incentive programs administered by the State Board of Commerce and Industry.

Present law provides that the corporation shall formulate and implement policies for the delivery of services to obtain certain effects.

Proposed law retains present law and adds the provision of funds for qualified applicants who are affected by the 2019 coronavirus pandemic to receive emergency assistance as another effect that the corporation is required to obtain.

Present law authorizes the corporation to carry out and effectuate the purposes and provisions of present law.

Proposed law retains present law and further authorizes the corporation to develop, implement, and oversee the COVID-19 Business Recovery and Growth Program that utilizes federal funding related to the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act.

Proposed law creates the COVID-19 Business Recovery and Growth Program and places the program within the corporation.

Proposed law authorizes the corporation to promulgate rules and regulations in order to effectuate provisions of proposed law. Further, proposed law requires the corporation to develop a formal award program that includes an application, review, evaluation, and award process.

Proposed law requires any entity or political subdivision of the state seeking financial assistance pursuant to proposed law to make an application for assistance to the corporation.

(Adds R.S. 51:2312(A)(11) and (D)(15) and 2342)