

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 271 By Senator Nevers**KEYWORD AND SUMMARY AS RETURNED TO THE SENATE**

FORESTRY. Creates the "Forestry Product Fairness Act". (gov sig)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Adds definition of "incentives".
2. Removes the provision that any "incentive" made available by the state to any individual, partnership, corporation, association, or other legal entity purchasing forest products to produce the generation of steam, heat, electricity, or the production of wood-based fuels must be approved by the commissioner.
3. Requires that any "incentive" that directly supports the purchase of forestry products must be approved by the commissioner.
4. Requires the Commissioner of Agriculture and secretary of Dept. of Economic Development to jointly promulgate rules in accordance with the APA, subject to oversight by the House Ways and Means and Senate Revenue and Fiscal Affairs Committees.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

Proposed law creates the "Forestry Product Fairness Act."

Proposed law recognizes the contribution the forest products industry makes to the state and the importance of the continued health of the industry to the state's economy. Provides that a fair and equitable process for awarding state incentives to the forest products industry is necessary to maintain economic viability. Provides that the purpose of proposed law is to ensure an open process for awarding incentives that encourages the use of forest products, but does not give one segment of the forest products industry an unfair advantage and does not put existing businesses at a competitive disadvantage.

Proposed law defines "forest products" as products that are derived from woody biomass; forest wood waste, including residual tops and limbs of trees, unused cull trees, pre-commercial thinnings, and wood or debris from noncommercial tree species, slash or brush; and any wood chips or fibers or other organic substances and any inorganic substances recovered from forest wood waste or produced as byproducts of processing wood.

Proposed law defines "incentive" as a tax exemption, tax credit, tax exclusion, tax deduction, rebate, incentive, investment, contract, or grant. "Incentive" does not mean benefits available under the La. Quality Jobs Program, Louisiana Enterprise Zone Act, Industry Assistance, Industrial Tax Exemption, Economic Development Award Program, Economic Development Loan Program, Tax Equalization, Rapid Response Fund or Mega-Project Development Fund.

Proposed law requires that any incentive to directly support the purchase of forest products be approved by the commissioner through a fair and equitable application process.

Proposed law requires that the application process be available to individuals and both new and existing partnerships, corporations, associations or other legal entities.

Proposed law requires the commissioner and secretary of the Dept. of Economic Development to promulgate rules and regulations in accordance with the Administrative Procedures Act, subject to oversight by the House Ways and Means and Senate Revenue and Fiscal Affairs Committees.

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

(Adds R.S. 3:4421-4425)

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