



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **HB 529** HLS 19RS 313  
Bill Text Version: **ORIGINAL**  
Opp. Chamb. Action:  
  
Proposed Amd.:  
Sub. Bill For.:

<b>Date:</b> May 19, 2019 3:28 PM	<b>Author:</b> FOIL
<b>Dept./Agy.:</b> LA Dept. of Economic Development	
<b>Subject:</b> Board of Commerce & Industry - Local Subcommittees	<b>Analyst:</b> Zachary Rau

ECONOMIC DEVELOPMENT OR SEE FISC NOTE GF EX Page 1 of 1  
Provides relative to the Department of Economic Development and the Board of Commerce and Industry

Proposed law requires the Board of Commerce & Industry (C&I Board) to include three additional voting members representing a given parish when considering projects for Industrial Tax Exemption Program (ITEP) contracts in that parish, each appointed by the presiding officer of the parish governing authority, presiding officer of the school board, and the sheriff of the parish, respectively. Proposed law requires the terms of the three local members run concurrent with the term of their appointing authority, and that they may not hold public office or be an employee of any of the appointing authorities. Proposed law allows appointed local members from multiple parishes to attend C&I Board meetings, but only allows them to vote on ITEP contracts for their parish. Proposed law allows local appointees to meet as a subcommittee of the C&I Board subject to the Open Meetings Law to vote on a particular project, allowing the local subcommittee to approve or deny forwarding a project to the full board. Proposed law allows the full C&I Board to consider a project denied by the local subcommittee upon majority vote of the full board with the local appointees included.

EXPENDITURES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

REVENUES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

The LA Dept. of Economic Development reports that the proposed legislation increases administrative functions of the Board of Commerce & Industry’s overseeing of the Industrial Tax Exemption Program (ITEP), but cannot determine if the additional functions would require additional expenditure of funds and/or additional full-time staff. LED’s Fastlane system, which manages business incentives programs, will require enhancements to accommodate the requirements of this measure but it is unknown if applications currently in the system can be updated or will require additional funds for update. Furthermore, LED anticipates that the inclusion of local appointees may present logistical challenges regarding accommodating additional board members and tailoring meeting agendas, but is unable to estimate the full impact of this program revision.

REVENUE EXPLANATION

Proposed law amends the current process for local governmental approval of Industrial Tax Exemption Program (ITEP) credits. Effects of the amended local approval process are speculative regarding how it will affect the ITEP approval process, and if it will allow for more or less credits to be approved or denied in the aggregate.

Senate	Dual Referral Rules	House	
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	 John D. Carpenter Legislative Fiscal Officer