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DIGEST

SB 161 Reengrossed

2025 Regular Session

Mizell

Present law provides that Louisiana Economic Development (LED) shall be composed of the executive office of the secretary, the office of management and finance, the office of business development, the office of port development, and other offices created by law.

Proposed law merges the functions and responsibilities of the executive office of the secretary, the office of management and finance, the office of business development, and the office of port development with the office of economic development.

Present law provides that the secretary shall have authority to enter into cooperative endeavor agreements providing for the lease of property under the control and supervision of LED.

Proposed law retains present law and adds that the secretary shall have authority to enter into cooperative endeavor agreements or interagency agreements providing for the subleasing or sale of property that is designated by the commissioner of administration to be under the control and supervision of LED, and authorizes the secretary to directly purchase property by act of cash sale or enter into an option for purchase of property. Further provides that any revenue received from such shall be deemed as self-generated revenue and shall be deposited into the Site Investment and Infrastructure Fund.

Present law provides that the office of business development shall perform certain functions of the state.

Proposed law retains present law except changes the name of the office of business development to the office of economic development.

Present law places the office of entertainment industry development, the office of international commerce and the La. Board of International Commerce, and the La. Military Advisory Council within LED.

Proposed law abolishes the office of entertainment industry development and the office of international commerce and transfers its powers, duties, and functions to LED.

Present law creates the La. Economic Development Corporation and provides that the corporation shall be governed and its corporate powers shall be exercised by a board of directors. Provides that the secretary of LED shall serve as president of the corporation, and the secretary or his designee shall be a member of the board of directors. Provides that the undersecretary of LED shall serve as secretary-treasurer of the board but shall not be a member of the board.

Proposed law retains present law in part except provides that the deputy secretary of LED or a designee shall serve as secretary-treasurer of the board but shall not be a member of the board.

Present law provides that the La. Economic Development Corporation has the authority to establish a nonprofit corporation as a state development company, to engage in cooperative endeavors with the federal government, primarily focusing on participating in loan programs, for which it may become eligible. Further provides that members of the board of directors for the La. Economic Development Corporation may also serve as board members for the nonprofit corporation.

Proposed law repeals present law.

Proposed law creates, within the state treasury, the La. Economic Development Innovation Fund (fund).

Proposed law requires monies in the fund to be utilized solely for economic development initiatives as determined appropriate by the secretary, who will develop certain guidelines for objectives and performance-based criteria for fund distribution.

Proposed law provides that the source of monies in the fund shall be any monies transferred or appropriated by the legislature, grants, donations, or other monies which may become available.

Proposed law provides that the treasurer shall invest the monies in the fund in the same manner as funds are invested in the general fund and all interest earned from investment of monies in the fund shall be credited back to the fund. Provides that all unexpended and unencumbered money remaining in the account at the end of the fiscal year shall be retained within the account.

Present law defines the terms "master plan", "office", and "project".

Proposed law removes the terms "master plan", "office", and "project" from present law.

Present law creates the La. Board of International Commerce (the board) within the office of international commerce of LED and provides that the board shall exercise certain duties.

Proposed law removes the board from the office of international commerce and provides that the board will operate as an advisory board to LED. Removes all the duties of the board in present law and provides that the board shall have the following duties:

- (1) Conduct meetings, studies, and investigations as the secretary may direct and report all findings and recommendations thereon to the secretary.
- (2) Execute a strategy to coordinate planning, marketing, and resources between all private or nongovernmental organizations, private business interest, international ports, LED, and other departments of federal and state government.
- (3) Monitor implementation of a state strategy to attract foreign direct investment and to attract

international business to the state.

Present law provides that the board shall consist of the following members:

- (1) The secretary of LED, or his designee.
- (2) The secretary of the Dept. of Transportation and Development, or his designee.
- (3) The commissioner of the Dept. of Agriculture and Forestry, or his designee.
- (4) The secretary of the Dept. of Culture, Recreation and Tourism, or his designee.
- (5) Eight members appointed by the governor, who represent regional economic development organizations in the state.
- (6) Four members appointed by the governor, representing international business and manufacturing business, relating to international commerce.
- (7) Six members appointed by the governor who represent international ports.
- (8) One member appointed by the governor to represent the state's airports.
- (9) The commissioner of the office of multimodal commerce in the Dept. of Transportation and Development, or his designee.

Proposed law changes the membership of the board as follows:

- (1) The secretary of the LED or his designee.
- (2) The commissioner of the Dept. of Agriculture and Forestry, or his designee.
- (3) Eight members appointed by the governor, one from within the geographic boundaries of each of the state's eight regional economic development organizations.
- (4) Six members appointed by the governor, of which one member shall represent international business, one member shall represent manufacturing business relating to international commerce, two members shall represent state's ports and two members shall represent the state's utility providers.
- (5) The commissioner of the office of multimodal commerce in the Dept. of Transportation and Development, or his designee.

Effective August 1, 2025.

(Amends R.S. 36:101(C)(1), 104(A)(17), 108(B)(intro para), and 109(B), R.S. 51:940.1(A),

2311(D), 3132(7), 3135, and 3136(A); adds R.S. 36:109 (E) and (F) and R.S. 51:2364; repeals R.S. 47:6007(B)(18) and 6022(C)(7) and R.S. 51:935.1, 938.1, 2314, 3131, 3132(8), (9), and (10), 3133, and 3137)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill

1. Adds that the secretary of LED shall have authority to enter into interagency agreements providing for the subleasing or sale of certain property
2. Repeals present law that establishes the La. Economic Development Corporation.
3. Makes technical changes.

Senate Floor Amendments to engrossed bill

1. Requires monies in the fund to be utilized solely for economic development initiatives as determined appropriate by the secretary.
2. Provides that the source of monies in the fund shall be any monies transferred or appropriated by the legislature, grants, donations, or other monies which may become available.
3. Provides that all interest earned from investment monies in the fund shall be credited back to the fund.
4. Provides for additional duties for the La. Board of International Commerce.
5. Makes technical changes.