

SENATE BILL NO. 161

BY SENATORS MIZELL, ABRAHAM, BOUIE, CONNICK, HARRIS AND MORRIS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To amend and reenact R.S. 36:101(C)(1), 104(A)(17), the introductory paragraph of 108(B),
3 and 109(B), and 110(F), R.S. 51:940.1(A), 2311(D), 3135, and 3136(A), to enact
4 R.S. 36:109(E) and (F) and R.S. 51:2364, and to repeal R.S. 47:6007(B)(18) and
5 6022(C)(7) and R.S. 51:935.1, 938.1, 2314, 3131, 3132(7), (8), and (9), 3133, and
6 3137, relative to economic development; to provide relative to Louisiana Economic
7 Development; to provide for the structure and organization of Louisiana Economic
8 Development; to provide for powers and duties of the secretary of Louisiana
9 Economic Development; to create the Louisiana Economic Development Innovation
10 Fund; to provide for membership and duties of an advisory board; to provide terms
11 and definitions; and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 36:101(C)(1), 104(A)(17), the introductory paragraph of 108(B),
14 109(B), and 110(F) are hereby amended and reenacted and R.S. 36:109 (E) and (F) are
15 hereby enacted to read as follows:

16 §101. Louisiana Economic Development; creation; domicile; composition; purposes
17 and functions

18 * * *

19 C.(1) ~~The Louisiana Economic Development shall be composed of the~~
20 ~~executive office of the secretary, the office of management and finance, the office~~
21 ~~of business development, the office of port development,~~ **office of economic**
22 **development** and other offices as shall be created by law.

23 * * *

§104. Powers and duties of the secretary of economic development

A. In addition to the functions, powers, and duties otherwise vested in the secretary by law, the secretary shall:

* * *

(17)(a) Notwithstanding any provision of law to the contrary and with the approval of the commissioner of administration, have the authority to:

(i) ~~enter~~ **Enter** into a cooperative endeavor agreement **or an interagency agreement** providing for the lease, **sublease, or sale** of property **that is designated by the commissioner of administration to be** under the control and supervision of Louisiana Economic Development for establishment and operation of a facility for the purpose of creating economic benefits to the state, including new jobs, payroll, or other benefits.

(ii) **Directly purchase property by act of cash sale or enter into an option for purchase of property for the purpose of creating economic benefits to the state, including new jobs, payroll, or other benefits.**

(b) **Any revenue received from the lease, sublease, or sale of property pursuant to this Paragraph shall be deemed self-generated revenue and shall be deposited into the Site Investment and Infrastructure Improvement Fund.**

(c) **For the sole purpose of exercising the authority granted in accordance with Subparagraph (a) of this Paragraph, and with the approval of the division of administration, the department may create a single purpose entity that shall have the authority to act on behalf of the department for the limited purposes listed in Subparagraph (a) of this Paragraph.**

(d) **Any lease, sublease, or sale of property listed in this Paragraph has to first be approved by the commissioner of administration. After the lease, sublease, or sale of property has been initiated, the Joint Legislative Committee on the Budget shall have oversight on the purchase process.**

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§108. Offices; purposes and functions

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B. The office of ~~business~~ **economic** development shall perform the following functions of the state:

* * *

§109. Transfer of boards, commissions, departments, and agencies to Louisiana Economic Development

* * *

B. The following agencies are placed within ~~the~~ Louisiana Economic Development and shall perform and exercise their powers, duties, functions, and responsibilities as provided by law:

(1) ~~The office of entertainment industry development (R.S. 51:938.1).~~

(2) ~~The office of international commerce and the~~ Louisiana Board of International Commerce (R.S. 51:3131 et seq. **R.S. 51:3132 et seq.**).

~~(3)~~**(2)** The Louisiana Military Advisory Council (R.S. 29:61 et seq.).

* * *

E. The office of entertainment industry development is hereby abolished and its powers, duties, functions, and responsibilities are transferred to Louisiana Economic Development and hereafter shall be exercised and performed as provided in R.S. 36:921 et seq.

F. The office of international commerce is hereby abolished and its powers, duties, functions, and responsibilities are transferred to Louisiana Economic Development and hereafter shall be exercised and performed as provided in R.S. 36:921 et seq.

§110. Louisiana Economic Development Partnership; advisory committee

* * *

F. The committee ~~shall~~ **may** meet ~~at least~~ quarterly and may hold additional meetings as necessary.

* * *

Section 2. R.S. 51:940.1(A), 2311(D), 3135, and 3136(A) are hereby amended and reenacted and R.S. 51:2364 is hereby enacted to read as follows:

§940.1. Motion picture investor; prohibition on certification for pornographic

materials

A. Purpose. The purpose of this Section is to provide heightened standards and procedures for Louisiana Economic Development ~~or the office of entertainment industry development.~~

* * *

§2311. Louisiana Economic Development Corporation; creation; domicile; board of directors; terms; agency

* * *

D. The corporation shall be governed and its corporate powers exercised by the board of directors. The secretary of Louisiana Economic Development shall serve as president of the corporation, and the secretary or his designee shall be a member of the board of directors. The ~~undersecretary~~ **deputy secretary** of Louisiana Economic Development **or his designee** shall serve as secretary-treasurer of the board but shall not be a member of the board.

* * *

§2364. Louisiana Economic Development Innovation Fund

A.(1) There shall hereby be established within the state treasury a special fund, the Louisiana Economic Development Innovation Fund, hereinafter referred to as the "fund". After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, all monies received for the purpose of the fund shall be deposited into the fund.

(2) Monies in the fund shall be used solely for economic development initiatives as determined appropriate by the secretary, who shall develop guidelines for objectives and performance-based criteria for fund distribution.

(3) 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.

B. The treasurer shall invest the monies in the fund in the same manner as funds are invested in the general fund. Interest earned from the investment

1 of monies in the fund shall be credited back to the fund. All unexpended and
2 unencumbered money remaining in the fund at the end of the fiscal year shall
3 be retained within the fund.

4 * * *

5 §3135. Louisiana Board of International Commerce

6 A. The Louisiana Board of International Commerce is hereby created ~~within~~
7 ~~the office of international commerce of~~ as an advisory board to Louisiana
8 Economic Development. The board shall be domiciled in East Baton Rouge Parish.

9 B. The board shall exercise, subject to the provisions of this Chapter, the
10 following duties:

11 (1) ~~Develop, coordinate, implement, make reports on, manage, and provide~~
12 ~~oversight of the Master Plan of International Commerce and prepare annual reports~~
13 ~~to the legislature. The master plan~~ Conduct meetings, studies, and investigations
14 as the secretary may direct and shall report its findings and recommendations
15 to the secretary. The recommendations may be incorporated into the
16 department's master strategic plan, which shall position Louisiana as a leader in
17 international commerce and trade and shall include a comprehensive strategy
18 addressing all matters of international commerce and trade for the state of Louisiana.
19 ~~An annual report shall monitor the progress of the implementation of the master plan~~
20 ~~and shall be submitted to the legislature for approval as set forth in R.S. 51:3137.~~

21 (2) Develop and execute a strategy to coordinate planning, marketing, and
22 resources between all private or nongovernmental organizations, private business
23 interests, international ports, the department, and other departments of federal and
24 state government; ~~including the Department of Transportation and Development, the~~
25 ~~Department of Agriculture and Forestry, the Department of Culture, Recreation and~~
26 ~~Tourism, and any other federal or state governmental agency involved in~~
27 international commerce.

28 (3) Monitor implementation of a state strategy to attract foreign direct
29 investment and to attract international business to this state.

30 (3) Establish criteria for projects to be included in the master plan and use

1 ~~these criteria to evaluate and approve projects for inclusion in the master plan that~~
2 ~~are submitted by the organizations, entities, or persons provided in Paragraph (2) of~~
3 ~~this Subsection.~~

4 ~~(4) Include in the master plan projects approved by the board.~~

5 ~~(5) Include in the annual report a detailed description of each project included~~
6 ~~in the master plan, and the current status of approved projects.~~

7 ~~(6) Create a mechanism to establish priorities of the approved projects and~~
8 ~~establish a procedure for the use of the priority system to control the order in which~~
9 ~~projects included in the master plan are executed.~~

10 ~~(7) Coordinate and assist the organizations, entities, or persons described in~~
11 ~~Paragraph (2) of this Subsection in its development and execution of projects that are~~
12 ~~approved by the board as being consistent with the comprehensive strategy of the~~
13 ~~master plan and in the priority order established by the board. Such assistance by the~~
14 ~~board shall include but not be limited to coordination between governmental and~~
15 ~~nongovernmental organizations as well as assistance with the identification of capital~~
16 ~~resources for the use of organizations that develop projects.~~

17 ~~(8) Monitor implementation of a state strategy to attract foreign direct~~
18 ~~investment and to attract international corporate business to Louisiana.~~

19 ~~(9) Identify, solicit, and recommend to the secretary, partnerships, joint~~
20 ~~ventures, memoranda of understanding, cooperative endeavors, or other similar~~
21 ~~relationships with local, state, or federal public entities, foreign governments,~~
22 ~~nongovernmental organizations, or private entities and business interests to~~
23 ~~implement the master plan. Such public entities shall include but are not limited to~~
24 ~~the following: the Department of Transportation and Development, the Department~~
25 ~~of Agriculture and Forestry, and the Department of Culture, Recreation and Tourism.~~

26 ~~(10) Identify, accept, obtain or assist in obtaining, foreign, federal, state, and~~
27 ~~private funds consistent with the provisions of this Chapter. Such funds shall include~~
28 ~~funds from matching sources, gifts, grants, and donations.~~

29 ~~(11) Develop and implement methods to self-generate funds. Such funds~~
30 ~~obtained consistent with the provisions of this Chapter shall be used solely for the~~

1 operations of the office and execution of projects included in the master plan.

2 (12) ~~Identify funding sources for infrastructure that is required to support~~
3 ~~projects or existing facilities and assist organizations, entities, or persons provided~~
4 ~~in Paragraph (2) of this Subsection to enter into business relationships, such as~~
5 ~~public-private partnerships, to secure funding for such infrastructure.~~

6 (13) ~~Conduct meetings and hold hearings.~~

7 (14) ~~Adopt rules in accordance with the Administrative Procedure Act~~
8 ~~consistent with the provisions of this Chapter.~~

9 (15) ~~As determined by the board, the chairman shall appoint advisory~~
10 ~~subcommittees to review, evaluate, and report to the board on projects proposed for~~
11 ~~inclusion in the master plan or for other purposes as approved by the board. In~~
12 ~~accordance with the scope of the subcommittee's work, the subcommittee may~~
13 ~~include non-board personnel. Such personnel shall not be compensated by the board.~~
14 ~~The board may request the secretary to engage experts to assist the board in~~
15 ~~performing its functions and duties. Every effort shall be made to utilize the staff of~~
16 ~~the office, department, international ports, nongovernmental organizations, or state~~
17 ~~universities prior to the engagement of outside experts.~~

18 (16) ~~Establish a recommended annual budget for the operation of the office~~
19 ~~and submit such recommended budget to the secretary for inclusion in the~~
20 ~~department's annual budget. Funding of the office for the first year of operation shall~~
21 ~~be derived from existing department resources and funds. Details of the office's~~
22 ~~revenues and expenses, including its recommended annual budget, shall be included~~
23 ~~in the annual report.~~

24 (17) ~~Expend funds consistent with the provisions of this Chapter.~~

25 (18) ~~Recommend that the secretary enter into agreements, memoranda of~~
26 ~~understanding, and cooperative endeavors with foreign governments, private entities,~~
27 ~~nongovernmental organizations, and local, state, and federal public entities that are~~
28 ~~consistent with the provisions of this Chapter.~~

29 (19) ~~Provide recommendations to the legislature with respect to the~~
30 ~~implementation, management, and funding of the office.~~

1 ~~(20) Present recommendations to the House Committee on Commerce and~~
2 ~~the Senate Committee on Commerce, Consumer Protection, and International Affairs~~
3 ~~by February first of each year for proposed legislation consistent with the~~
4 ~~comprehensive strategy of the master plan and the provisions of this Chapter.~~

5 ~~(21) Advise the secretary on any matter regarding the office.~~

6 §3136. Membership of board

7 A. The board shall consist of the following members:

8 (1) The secretary of the department or his designee.

9 ~~(2) The secretary of the Department of Transportation and Development or~~
10 ~~his designee.~~

11 ~~(3) The commissioner of the Department of Agriculture and Forestry or his~~
12 ~~designee.~~

13 ~~(4) The secretary of the Department of Culture, Recreation and Tourism or~~
14 ~~his designee, with consideration given to the appointment of the executive director~~
15 ~~of the Council on the Development of French in Louisiana as his designee.~~

16 ~~(5)(a)~~**(3)** Eight members appointed by the governor, **one from within the**
17 **geographic boundaries of each of the state's eight** who represent regional
18 economic development organizations in the state. Such members shall, to the greatest
19 extent possible, be engaged in international commerce or trade. The governor shall
20 make the appointment from a list of names submitted by the following organizations:

21 ~~(i) Greater New Orleans, Inc.~~

22 ~~(ii) Baton Rouge Area Chamber.~~

23 ~~(iii) Central Louisiana Economic Development Alliance.~~

24 ~~(iv) Southwest Louisiana Partnership for Economic Development.~~

25 ~~(v) North Louisiana Economic Partnership.~~

26 ~~(vi) Acadiana Economic Development Council, Inc.~~

27 ~~(vii) Northeast Louisiana Economic Alliance.~~

28 ~~(viii) Jefferson Parish Economic Development Commission.~~

29 ~~(ix) South Louisiana Economic Council.~~

30 ~~(x) Ascension Chamber of Commerce.~~

1 ~~(xi) River Region Chamber of Commerce.~~

2 ~~(b) Each organization shall submit two names to the governor.~~

3 ~~(6)(a)~~**(4)** Four **Eight** members appointed by the governor, of which ~~two~~
4 ~~members~~ **one member** shall represent international business, and ~~two members~~ **one**
5 **member** shall represent manufacturing business relating to international commerce,
6 **two members shall represent the state's ports, two members shall represent the**
7 **state's airports, and two members shall represent the state's utility providers.**

8 ~~The governor shall make the appointments from a list of names submitted by the~~
9 ~~following organizations:~~

10 ~~(i) Louisiana Association of Business and Industry.~~

11 ~~(ii) The National Federation of Independent Business.~~

12 ~~(iii) The World Trade Center New Orleans.~~

13 ~~(iv) The Louisiana Chemical Association.~~

14 ~~(v) New Orleans Board of Trade.~~

15 ~~(vi) Le Centre International De Lafayette.~~

16 ~~(b) Each organization shall submit two names to the governor.~~

17 ~~(7)(a) Six members appointed by the governor who represent international~~
18 ~~ports. The governor shall make the appointments from a list of names submitted by~~
19 ~~the following:~~

20 ~~(i) Port of Greater Baton Rouge.~~

21 ~~(ii) Lake Charles Harbor and Terminal District, Port of Lake Charles.~~

22 ~~(iii) Port of New Orleans.~~

23 ~~(iv) Plaquemines Port, Harbor and Terminal District.~~

24 ~~(v) St. Bernard Port, Harbor and Terminal District.~~

25 ~~(vi) Port of South Louisiana.~~

26 ~~(b) Each port shall submit two names to the governor. The governor shall~~
27 ~~select at least one representative from each of the ports submitting nominations.~~

28 ~~(8)(a) One member appointed by the governor to represent the state's airports.~~

29 ~~The governor shall make the appointments from a list of names submitted by~~
30 ~~the following:~~

~~(i) Baton Rouge Metropolitan Airport.~~

~~(ii) The Chennault International Airport Authority.~~

~~(iii) Louis Armstrong New Orleans International Airport.~~

~~(iv) Shreveport Regional Airport.~~

~~(v) England Airpark.~~

~~(vi) Lafayette Regional Airport.~~

~~(vii) Monroe Regional Airport.~~

~~(b) Each airport shall submit two names to the governor. The governor shall select one representative from the airports submitting nominations.~~

~~(9)~~**(5)** The commissioner of the office of multimodal commerce in the Department of Transportation and Development or his designee.

* * *

Section 3. R.S. 47:6007(B)(18) and 6022(C)(7) and R.S. 51:935.1, 938.1, 2314, 3131, 3132(7), (8), and (9), 3133, and 3137 are hereby repealed.

Section 4. The Louisiana State Law Institute is hereby directed to change all references to the "office of entertainment industry development" to the "office of economic development" in Louisiana Economic Development, throughout Title 47 of the Louisiana Revised Statutes of 1950.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: