

## RÉSUMÉ DIGEST

ACT 432 (SB 161)

2025 Regular Session

Mizell

Existing law provides for the structure, functions, and duties of Louisiana Economic Development (LED).

New law creates the office of economic development within LED and 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.

Existing 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.

New law retains existing 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. 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.

New law provides that the department may create a single-purpose entity that shall have the authority to act on behalf of the LED for the limited purposes listed in new law.

New law provides that any lease, sublease, or sale of property listed in new law shall first be approved by the commissioner of administration. New law adds that after the lease, sublease, or sale of property has been initiated, the Joint Legislative Committee on Budget shall have oversight of the purchase process.

Prior law provided that the La. Economic Development Partnership (partnership) shall meet at least quarterly and may hold additional meetings as necessary.

New law provides that partnership has discretion to meet quarterly.

Prior law placed the office of entertainment industry development, the office of international commerce, the La. Board of International Commerce, and the La. Military Advisory Council within LED and provided for its duties and responsibilities.

Existing 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. Prior law provided that the undersecretary of LED shall serve as secretary-treasurer of the board but shall not be a member of the board.

New law 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.

Prior law provided 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. Provided that members of the board of directors for the La. Economic Development Corporation may also serve as board members for the nonprofit corporation.

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

New 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.

New 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 that may become available.

New 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.

Prior law defined the terms "master plan", "office", and "project".

Prior law created the La. Board of International Commerce (the board) within the office of international commerce of LED, provided that the board shall exercise certain duties, and provided for board membership.

New law provides that the board will operate as an advisory board to LED. 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 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.

New law changes the membership of the board as follows:

- (1) The secretary of 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) Eight 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 the state's ports, two members shall represent the state's airports, 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), 109(B), and 110(F), R.S. 51:940.1(A), 2311(D), 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(7), (8), and (9), 3133, and 3137)