

2026 Regular Session

HOUSE BILL NO. 674

BY REPRESENTATIVE PHELPS

ECONOMIC DEVELOPMENT: Provides for state involvement in negotiations for local or parish economic development projects

1 AN ACT

2 To enact R.S. 44:22.3, relative to economic development; to provide relative to local
3 government economic development negotiations; to provide for state involvement
4 in local economic development negotiations; to require certain records to be made
5 available to Louisiana Economic Development; to require that certain legislators be
6 provided with an opportunity to participate in negotiations; to provide for definitions;
7 and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 44:22.3 is hereby enacted to read as follows:

10 §22.3. State involvement in local government economic development negotiations
11 A.(1) Notwithstanding the provisions of R.S. 44:22.2 or any other provision
12 of this Chapter to the contrary, records that are in the custody of a local government
13 that pertain to an active negotiation with a person for the purpose of a proposed
14 project involving the retention, expansion, or attraction of further economic
15 development within the local government's jurisdictional boundaries shall be made
16 available to Louisiana Economic Development.

1 (2) A legislator shall be provided with the opportunity to participate in an
2 active negotiation for the purpose of a proposed project involving the retention,
3 expansion, or attraction of further economic development within a local
4 government's jurisdictional boundaries if the legislator's district is entirely, or in part,
5 within the jurisdictional boundaries of the local government undertaking the
6 negotiation.

7 B. For the purposes of this Section:

8 (1) "Active negotiation" or "negotiation remains active" means a negotiation
9 that has commenced concerning a project for the retention, expansion, or location of
10 a business within the jurisdictional boundaries of the local government and which is
11 not concluded when the local government receives a request for information or other
12 similar document concerning the project. For the purposes of this Section, a
13 negotiation is no longer active or is concluded when the local government decides
14 to no longer actively pursue the proposed project with the person, when the person
15 with whom the local government was negotiating decides not to pursue the proposed
16 project, or when a proposal affecting the negotiation is submitted to a public body
17 for consideration by the public body in a public meeting, whichever occurs earlier.

18 (2) "Economic development" means a project for which a company seeking
19 incentives commits to either:

20 (a) Creating or retaining at least fifteen permanent jobs for manufacturing
21 or distribution centers or at least twenty-five permanent jobs for digital media,
22 headquarters, research and development, or inbound call center operations.

23 (b) Having at least five million dollars in capital improvements.

24 (3) "Local government" means a parish or municipality.

25 C. The provisions of Subsection A of this Section shall not apply to any
26 application for a license or permit or to any record of negotiations concerning any
27 hazardous waste or waste site as "hazardous waste" and "waste" are defined in R.S.
28 30:2173.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 674 Original

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Phelps

Abstract: Requires the involvement of certain state officials in local government economic development negotiations.

Present law (R.S. 44:1 et seq. – Public Records Law) provides that all types of records, including information contained in electronic data processing equipment, having been used, being in use, or prepared, possessed, or retained for use in the conduct, transaction, or performance of any business, transaction, work, duty, or function which was conducted, transacted, or performed by or under the authority of the constitution or laws of the state, or by or under the authority of any ordinance, regulation, mandate, or order of any public body or concerning the receipt or payment of any money received or paid by or under the authority of the constitution or laws of the state are "public records". Present law establishes a framework for the ready availability of public records to requesting persons and specifically provides that it is the duty of the custodian of the public records of a public entity or agency to provide copies to persons so requesting. Provides for certain exceptions, exemptions, and limitations, including exceptions for economic development negotiations with the Dept. of Economic Development and with port commissions and port, harbor, and terminal districts.

Present law (R.S. 44:22.2) provides that records in the custody of a local government pertaining to an active negotiation with a person for the purpose of a proposed project involving the retention, expansion, or attraction of further economic development in the parish or municipality shall be confidential if such confidentiality is requested in writing detailing the reasons therefor and asserting that the negotiation is conditioned on such confidentiality and the chief executive officer of the parish or municipality determines that disclosure of such records would have a detrimental effect on the negotiation and the reasons therefore. Requires a notice of such confidentiality to be published on the local government's website and in its official journal no later than 10 days after the determination of confidentiality. Present law further specifies that the local government's expense records pertaining to the negotiation shall be confidential until negotiations are concluded. Provides that at the conclusion of the negotiation, all such records shall be subject to Public Records Law.

Present law limits the confidentiality of the information pertaining to negotiations to 12 months from the date of the CEO's determination of confidentiality. Provides that the confidentiality may be extended for one additional 12-month period if the negotiation remains active and the CEO again determines the disclosure would be detrimental to the negotiation and he provides notice on the local government's website and in its official journal.

Proposed law provides that notwithstanding present law, records in the custody of a local government pertaining to an active negotiation with a person for the purpose of a proposed project involving the retention, expansion, or attraction of further economic development in the parish or municipality, as provided in present law, shall be made available to the Dept. of Economic Development.

Proposed law requires that a legislator be provided with the opportunity to participate in an active negotiation for the purpose of a proposed project involving the retention, expansion, or attraction of further economic development within a local government's jurisdictional

boundaries if such legislator's representative district is wholly, or in part, within the jurisdictional boundaries of the local government undertaking such negotiation.

Present law defines "active negotiation", "negotiation remains active", "chief executive officer", "local government", and "economic development" for its purposes. Specifies when a negotiation is no longer active. Defines "economic development" as a project for which a company commits to either creating or retaining at least 15 permanent jobs for manufacturing or distribution center; at least 25 permanent jobs for digital media, headquarters, research and development, or inbound call center operations; or having at least \$5 million in capital improvements.

Proposed law retains present law definitions.

Present law specifically does not apply to an application for license or permit or any record of negotiations concerning any hazardous waste or waste site. Present law provides that the confidentiality provisions in present law shall not be effective unless the party whose information is being held as confidential also maintains as confidential information provided to the party by local government concerning the project.

Proposed law retains present law.

(Adds R.S. 44:22.3)