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## DIGEST

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Abramson

HB No. 1132

**Abstract:** Establishes the Louisiana Sports Economic Development Fund to provide funding for certain costs associated with applying for, bidding on, and hosting national or collegiate sporting events in Louisiana.

Present law provides for the establishment to the "Major Event Fund" as a special fund in the state treasury to provide funding for entities within the state for the costs associated with attracting, hosting, and staging major events of area-wide, statewide, regional, national, or international prominence. Such funding requires prior approval of the Joint Legislative Committee on the Budget (JLCB).

Proposed law retains present law but exempts national or collegiate sporting events hosted by the state or any political subdivision of the state on or after Jan. 1, 2015, which apply for and receive monies from the Louisiana Sports Economic Development Fund.

Proposed law establishes the "Louisiana Sports Economic Development Fund", hereinafter referred to as "the fund", as a special fund in the state treasury, which shall consist of a portion of the monies generated as a result of a qualified sporting event hosted by the state or any political subdivision of the state on or after Jan. 1, 2015. Requires the treasurer to deposit no less than 50% of the amount of the incremental increase of state and local tax revenues generated in the market area of a qualified sporting event hosted by the state or a political subdivision of this state into the fund as determined pursuant to the provisions of proposed law.

Proposed law defines "market area" as the geographic boundaries of the parish in which the qualified sporting event is held which is chosen by the site selection organization of the national or collegiate sporting event to host the qualified sporting event. Defines "qualified sporting event" as any national or collegiate sporting event hosted by the state or any political subdivision of the state on or after Jan. 1, 2015, which is not held in La. on an annual basis.

Proposed law requires a local organizing committee to apply for funding with the secretary of the Department of Economic Development (DED). Requires the secretary to establish an application form and an application process. If the secretary of DED determines that the application meets all requirements of proposed law, the secretary shall recommend, in writing, to the JLCB his funding recommendations for the application.

Proposed law requires the chairman of the JLCB to schedule a hearing no later than 45 days following the date of receipt of the recommendation from DED. If the JLCB approves the

funding recommendation, the chairman shall notify the state treasurer of the committee's approval to disburse monies from the fund.

Proposed law requires DED to submit an annual report no later than the first day of Feb. each year to the JLCB regarding applications funded throughout the calendar year and the fund balance.

Proposed law requires monies in the fund to be used exclusively to fund the costs associated with applying for or bidding for selection of La. or a political subdivision of the state as the site of a qualified sporting event, costs associated with necessary preparations for the conduct of a qualified sporting event, including construction or renovation of facilities, and costs associated with actually conducting the qualified sporting event in La. or a political subdivision of the state.

Proposed law provides for the eligibility of a qualified sporting event to receive monies from the fund.

Proposed law requires the legislative auditor to determine for a one-month period prior to the date the qualified sporting event begins the baseline and the incremental increase in the amount of state and local sales and use tax receipts and state and local hotel occupancy taxes collected within the market area directly attributable to the preparation for and presentation of the qualified sporting event and its related activities. Requires the legislative auditor to issue its determination of the baseline and incremental increase amounts no later than 60 days following the date the qualified sporting event ends.

Proposed law requires the legislative auditor to notify the state treasurer, the secretary of the Dept. of Revenue (DOR), the secretary of DED, and to the governing authority of the market area in which the qualified sporting event is held the amount of the baseline and incremental increase amounts determined by his office.

Proposed law requires DOR and the governing authority for the market area to forward no less than 50% of the amount of the incremental increase to the state treasurer for deposit into the fund once these parties receive the legislative auditor's determination of the amount of the incremental increase in state and local tax revenues. Proposed law authorizes DOR and the governing authority of the market area to enter into an agreement with the state treasurer to forward such monies over a six-month period.

(Adds R.S. 39:100.126(D) and 100.137)