

SENATE BILL NO. 81

BY SENATORS MILLS, ALARIO, CHEEK, LAFLEUR, LONG, MICHOT, MURRAY
AND NEVERS AND REPRESENTATIVES ABRAMSON, ANDERS,
ARMES, ARNOLD, AUSTIN BADON, BOBBY BADON, BALDONE,
BARRAS, BARROW, BROSSETT, BURFORD, HENRY BURNS, TIM
BURNS, BURRELL, CARMODY, CHAMPAGNE, CHANEY,
CONNICK, CORTEZ, CROMER, DIXON, DOERGE, DOWNS,
EDWARDS, ELLINGTON, FANNIN, GISCLAIR, GUILLORY,
GUINN, HARRISON, HAZEL, HENRY, HILL, HOFFMANN,
HOWARD, HUVAL, JOHNSON, SAM JONES, KATZ, LABRUZZO,
LANDRY, LEBAS, LEGER, LIGI, LITTLE, LOPINTO, LORUSSO,
MCVEA, MONToucET, MORENO, NOWLIN, POPE, RICHARD,
RICHARDSON, RITCHIE, ROBIDEAUX, ROY, SMILEY, GARY
SMITH, JANE SMITH, ST. GERMAIN, TALBOT, THIBAUT,
TUCKER, WHITE, WILLIAMS AND WILLMOTT

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

1 AN ACT

2 To enact R.S. 3:266(23) and 284, relative to establishing a monetary incentive program to
3 promote purchases of Louisiana agricultural products; to authorize the development
4 and establishment of the Louisiana Buy Local Purchase Incentive Program Fund
5 within the state treasury; to authorize an incentive payment for certain purchases of
6 Louisiana agricultural products by certain restaurant establishments; to provide for
7 the administration of the incentive payment; to provide with respect to financing; to
8 provide for definitions; to provide for certain requirements and termination of the
9 program and fund; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 3:266(23) and 284 are hereby enacted to read as follows:

12 §266. Powers of authority

13 The authority shall have all the powers necessary to give effect to and carry
14 out the purposes and provisions of this Chapter, including, in addition to all other

powers granted by other provisions of this Chapter, the powers to:

* * *

(23) Establish, administer, and supervise an incentive program to promote the purchase of Louisiana agricultural products.

* * *

§284. Louisiana Buy Local Purchase Incentive Program

A. Title; creation

There is hereby created the Louisiana Buy Local Purchase Incentive Program, hereinafter referred to as the "program", within the Louisiana Department of Agriculture and Forestry, to be administered and supervised by the Louisiana Agricultural Finance Authority, in order to grant incentive payments to Louisiana restaurant establishments for purchases of Louisiana agricultural products.

B. Declaration of purpose

The Legislature of Louisiana hereby finds and declares that the health, safety, and welfare of the people of this state are dependent upon the continued encouragement, development, growth, and expansion of Louisiana farmers and agricultural products. Louisiana residents rely on Louisiana farmers and agricultural processors as their primary source of safe, nutritional, and affordable food. Furthermore, agricultural industries are a major source of employment for Louisiana residents. Therefore, it is declared to be the purpose of this Act to encourage and promote the consumption of Louisiana agricultural products by providing incentive payments to certain Louisiana restaurants for the purchase of Louisiana agricultural products.

C. Definitions

For purposes of this Chapter, the following terms shall have the meanings hereinafter ascribed to them, unless the context clearly indicates otherwise:

(1) "Louisiana coastal waters" shall have the same meaning as provided for in R.S. 49:214.23(4) in the coastal zone law.

1 (2) "Louisiana coastal zone" shall have the same meaning as provided
2 for in R.S. 49:214.23(5).

3 (3) "LAFA" means the Louisiana Agricultural Finance Authority.

4 (4) "Louisiana agricultural products" means the following products
5 produced in Louisiana: agronomic, aquacultural, floricultural, horticultural,
6 silvicultural, and viticultural products, including but not limited to: plants,
7 crops, livestock, dairy products, and fruits; crawfish, catfish, other fish, shrimp,
8 oysters, crabs, underutilized species, and any other seafood and freshwater
9 food; and all meat and meat products including beef, veal, pork, mutton,
10 poultry, and products made therefrom.

11 (5)(a) "Produced in Louisiana" means manufactured, planted,
12 cultivated, grown, caught, or harvested in Louisiana, including in Louisiana
13 coastal waters, the Louisiana coastal zone, and in the territorial waters of the
14 state.

15 (b) "Produced in Louisiana" shall also mean, in regard to seafood,
16 caught or harvested in waters seaward of the territorial waters of the state by the
17 holder of a Louisiana commercial fisherman's license who transports and sells his catch
18 to a licensed Louisiana wholesale/retail seafood dealer located within the state of
19 Louisiana.

20 (6) "Restaurant establishment" means any establishment which has a
21 special Class "R" restaurant permit issued pursuant to R.S. 26:73(B) in the
22 Alcohol Beverage and Tobacco law, or any establishment which meets the
23 definition of "restaurant establishment" as defined in R.S. 26:73(C)(1).

24 D. Fund

25 (1) There is hereby established a special fund in the state treasury to be
26 known as the Louisiana Buy Local Purchase Incentive Program Fund,
27 hereinafter referred to as the "fund".

28 (2) After compliance with the requirements of Article VII, Section 9(B)
29 of the Constitution of Louisiana relative to the Bond Security and Redemption
30 Fund, any public or private grants, gifts, and donations received by the state or

1 the Department of Agriculture and Forestry for the purposes of this Section
2 shall be credited to the fund. No state general fund monies shall be
3 appropriated to the fund.

4 (3)(a) Subject to appropriation by the legislature, monies in the fund
5 shall be used solely to grant incentive payments under the Louisiana Buy Local
6 Purchase Incentive Program as provided in this Section to eligible restaurant
7 establishments for purchases of Louisiana agricultural products and for all
8 ordinary and necessary operating and administrative costs and expenses
9 associated with implementation of this Section, provided that the ordinary and
10 necessary operating and administrative costs and expenses shall not exceed five
11 percent of monies appropriated from the fund.

12 (b) The monies in the fund shall be invested by the state treasurer in the
13 same manner as monies in the state general fund. All interest earned from the
14 investment of the monies in the fund shall be deposited in and remain in the
15 fund. All unexpended and unencumbered money in the fund at the end of the
16 year shall remain in the fund.

17 E. Program

18 (1) The amount of the incentive payment pursuant to this Section shall
19 be four percent of the total costs of the Louisiana agricultural products
20 purchased by the eligible restaurant establishment during a fiscal year.

21 (2) An application for an incentive payment pursuant to this Section
22 shall be provided by LAFA and shall be submitted by an interested restaurant
23 establishment to LAFA within the application period set forth by LAFA based
24 upon the restaurant establishment's purchases of Louisiana agricultural
25 products within that fiscal year.

26 (3) In accordance with the Administrative Procedure Act, LAFA in
27 cooperation with the commissioner of the Department of Agriculture and
28 Forestry shall promulgate rules and regulations as are necessary to implement
29 the provisions of this Section including but not limited to rules and regulations
30 regarding the period within which an application for the incentive shall be

1 submitted in order to be eligible to receive an incentive payment, and the
2 documentation required to be maintained and provided by a restaurant
3 establishment applying for the incentive payment. The regulations may require
4 producers of Louisiana agricultural products to obtain license numbers issued
5 by LAFA evidencing the eligibility of the Louisiana agricultural products
6 produced by them.

7 (4) A restaurant establishment applying for the incentive payment
8 authorized pursuant to this Section shall be required to provide and maintain
9 sufficient documentation evidencing the amount of purchases of Louisiana
10 agricultural products and eligibility to claim the incentive payment as
11 determined by LAFA in regulations issued pursuant to Paragraph (3) of this
12 Subsection.

13 (5) If there is insufficient money in the fund to fully satisfy all timely filed
14 applications for incentive payments, then incentive payments shall be
15 distributed to the applicants on a pro-rated basis based upon the proportion of
16 Louisiana agricultural products purchased by the applicant to the total amount
17 of such purchases by all applicants.

18 (6) The aggregate amount of incentive payments for the purchase of
19 Louisiana agricultural products issued to restaurant establishments pursuant
20 to this Section shall not exceed seven million dollars, in the aggregate, per fiscal
21 year.

22 **F. Termination of program and fund**

23 The program and fund created pursuant to this Section shall terminate
24 on December 31, 2014. Therefore, no rebate payments authorized according to
25 the provisions of this Section shall be granted after December 31, 2014. Any
26 unexpended and unencumbered monies in the fund at the end of the program
27 shall revert to the state general fund.

28 Section 2. This Act shall become effective upon signature by the governor or, if not
29 signed by the governor, upon expiration of the time for bills to become law without signature
30 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____