

2015 Regular Session

HOUSE BILL NO. 719

BY REPRESENTATIVE JACKSON

TAX CREDITS: Limits eligibility for incentives available through the enterprise zone program and establishes a dedication of savings associated therewith for deposit into the Go Grants Fund

1 AN ACT

2 To amend and reenact R.S. 51:1787(B)(3)(b), and to enact R.S. 39:100.146, relative to tax
3 incentives; to provide with respect to the enterprise zone program; to provide for tax
4 credits and rebates available as incentives through the program; to provide for
5 eligibility for contracts for incentives; to require reports by the secretary of the
6 Department of Economic Development; to authorize resolutions of the Joint
7 Legislative Committee on the Budget; to provide with respect to the transfer of
8 monies from the state general fund for deposit into a special treasury fund; to provide
9 for duties of the state treasurer; to establish the Go Grants Fund as a special fund in
10 the state treasury; to provide for the deposit, use and investment of monies in the
11 fund; to provide for applicability; to provide for effectiveness; and to provide for
12 related matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 39:100.146 is hereby enacted to read as follows:

15 §100.146. Go Grants Fund; Louisiana Office of Student Financial Assistance

16 A. There is hereby established in the state treasury a special fund to be
17 known as the "Go Grants Fund", hereinafter referred to as "fund". The purpose of

1 the fund is to support the operation of the Go Grants Program within the office for
2 student financial assistance.

3 B. On January 15, 2016, on January 15, 2017, and January 15, 2018, the
4 secretary of the Department of Economic Development shall report to the Joint
5 Legislative Committee on the Budget, hereinafter referred to as "committee", an
6 estimate of the amount of monies retained by the state general fund as a result of the
7 revision of program incentives for the enterprise zone program contained in this Act.
8 If the estimate is acceptable to and approved by the committee, the committee shall
9 by resolution direct the state treasurer to transfer the estimated amount from the state
10 general fund for deposit into the fund. After the deposit made in Fiscal Year 2017-
11 2018, the state treasurer shall calculate the average estimated amounts deposited into
12 the fund for the last three years to determine the amount which shall be deposited
13 into the fund each year thereafter. The treasurer shall report this average estimated
14 amount to the committee and, if approved, the committee shall by resolution direct
15 the treasurer to transfer from the state general fund for deposit into the fund the
16 average estimated amount to be made each January 15th. Monies in the fund shall
17 be invested in the same manner as those in the state general fund. Unexpended and
18 unencumbered monies remaining in the fund at the end of a fiscal year shall remain
19 in the fund. Appropriations from the fund are authorized for support of the Go
20 Grants program within the office for student financial assistance.

21 Section 2. R.S. 51:1787(B)(3)(b) is hereby amended and reenacted to read as
22 follows:

23 §1787. Incentives

24 * * *

25 B. The board may enter into the contracts provided in Subsection A of this
26 Section provided that:

27 * * *

28 (3)

29 * * *

1 (b) In addition to the requirements of Subparagraph (a) of this Paragraph,
2 eligibility for a retail business which is assigned a North American Industry
3 Classification Code of 44 or 45 and has more than ~~one hundred~~ seventy-five
4 employees nationwide including affiliates prior to the contract effective date shall
5 be limited to grocery stores and pharmacies located in an enterprise zone, as such
6 terms are defined by the department by rules promulgated in accordance with the
7 Administrative Procedure Act.

8 * * *

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 719 Original

2015 Regular Session

Jackson

Abstract: Limits eligibility for retail business participating in the enterprise zone program and dedicates savings associated therewith to the Go Grants Fund which is established to provide support for the operation of the Go Grants Program within the office for student financial assistance.

Present law establishes the enterprise zone program through which businesses may enter into contracts with the Board of Commerce and Industry to receive income tax credits or sales and use tax rebate payments in exchange for the creation of a certain number of jobs which involve employees who meet certain residency and other requirements. Eligibility for retail businesses with 100 or more employees nationwide is restricted to those located in an enterprise zone that are either a pharmacy or grocery store.

Proposed law changes present law by further limiting participation by retail businesses, by restricting participation to those with 75 or more employees to location within an enterprise zone.

Proposed law establishes the Go Grants Fund ("fund") as a special fund in the state treasury as a source of funding to support the operation of the Go Grants Program within the office for student financial assistance. Monies in the fund shall be invested in the same manner as those in the state general fund. Unexpended and unencumbered monies remaining in the fund at the end of a fiscal year shall remain in the fund. Appropriations from the fund are authorized for support of the Go Grants program within the office for student financial assistance.

Proposed law requires that on Jan. 15, 2016, 2017, and 2018, the secretary of the Dept. of Economic Development shall report to the Joint Legislative Committee on the Budget, ("committee"), an estimate of the amount of monies retained by the state general fund as a result of the revision of program incentives for the enterprise zone program contained in proposed law. If the estimate is acceptable to and approved by the committee, the committee shall by resolution direct the state treasurer to transfer the estimated amount from the state general fund for deposit into the fund. After the deposit made in Fiscal Year 2017-2018, the state treasurer shall calculate the average estimated amounts deposited into the fund for the last 3 years to determine the amount which shall be deposited into the fund each year

thereafter. The treasurer shall report this average estimated amount to the committee and, if approved, the committee shall by resolution direct the treasurer to transfer from the state general fund for deposit into the fund the average estimated amount to be made each Jan. 15th.

(Amends R.S. 51:1787(B)(3)(b); Adds R.S. 39:100.146)