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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michelle Ridge.

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DIGEST

SB 494 Original

2024 Regular Session

Mizell

Present law establishes the Department of Economic Development (department) as one of the twenty departments of the executive branch.

Proposed law renames the Department of Economic Development to Louisiana Economic Development (LED).

Present law provides for the purposes and functions of the department.

Proposed retains present law and provides that LED may establish a nonprofit corporation to assist with state economic development and to engage in any lawful activity as provided in present law.

Proposed law provides that the nonprofit corporation may engage in cooperative endeavors with the federal government for the purposes of participating in any federal program for which it may become eligible and any other funding source including Louisiana Economic Development. Provides that the members of the board of directors shall be established in the articles of incorporation and bylaws of the nonprofit corporation.

Present law provides for officers of the department, including the secretary, undersecretary, deputy secretary if appointed, and assistant secretaries.

Proposed law removes references to the positions of undersecretary and assistant secretaries.

Proposed law provides that neither the secretary nor the deputy secretary shall be a statewide elected official.

Present law provides for powers, duties, and authority of the secretary.

Proposed law retains present law and adds:

- (1) The secretary, in cooperation with the federal government and with other state and local agencies in matters of mutual concern, direct an office within LED to develop and implement a plan to actively seek federal, private, and other grants to support the activities of LED and advance the economic growth and prosperity of the state.
- (2) The secretary shall develop a comprehensive strategic plan and long range economic development plan in consultation with, and advice from, the La. Economic Development Program.

- (3) The secretary shall have the authority to enter into negotiated settlement agreements for all statutory incentive programs, with the approval of the secretary of Dept. of Revenue and the governor.

Proposed law creates the La. Economic Development Partnership as an advisory committee to LED and provides for membership of the committee.

Present law provides relative to procurement, generally, and the process for state agencies in the executive branch to procure information technology.

Proposed law retains present law but provides that present law, including the oversight and procurement authority of the chief information officer, does not apply to the purchase, lease, and rental of all information technology equipment, related services, and software by LED. Provides that LED shall be subject to administrative rules and regulations adopted for the procurement of information technology equipment, related services, and software.

Present law provides relative to monies in the Marketing Fund, which provides for an appropriation be made from this fund to LED for certain purposes, including one million dollars annually to be used for marketing education.

Proposed law changes the purpose of the annual one million dollar appropriation as follows: for regional or local economic development marketing, following guidelines to be developed by the secretary for objective, performance-based criteria for the distribution of the one million dollars.

Present law provides relative to the Louisiana Economic Development Corporation (corporation) and provides for its membership, duties, powers, and function. Provides for the following members:

- (1) The secretary of LED or his designee.
- (2) One minority member who is appointed from a list of three private sector individuals submitted by La.-based organizations representing minority business interests.
- (3) One member who is appointed from a list of three private sector individuals submitted by the La. Chapter of the AFL-CIO.
- (4) One member who is appointed from a list of three private sector individuals submitted by the La. Retailers Association.
- (5) One member who is appointed from a list of three private sector individuals submitted by the La. Bankers Association.
- (6) One member who is appointed from a list of three private sector individuals employed at community banks submitted by the La. Bankers Association.
- (7) One member who is appointed from a list of three private sector individuals submitted by the

Society of La. Certified Public Accountants.

- (8) One female member who is appointed from a list of three private sector individuals representing women's business interests.
- (9) One member representing the La. venture capital industry or the La. angel investor community.
- (10) One member who is appointed from a list of three private sector individuals submitted by and currently serving on the La. Workforce Investment Council Board.

Proposed law retains the secretary of LED or his designee on the commission and changes qualifications of certain members and removes nominating bodies as follows:

- (1) One minority business owner or private sector individual representing minority business interests.
- (2) One private sector individual with experience as a startup founder.
- (3) One private sector individual with experience in regional economic development.
- (4) One private sector individual with experience from within a community bank, community development financial institution, or credit union.
- (5) One private sector individual with experience in local economic development.
- (6) One private sector individual with experience in local economic development.
- (7) One female business owner or private sector individual representing women's business interests.
- (8) One private sector individual with experience in venture angel investing.
- (9) One private sector individual appointed at large.

Proposed law provides for term limits of the members of the corporations, a quorum, and vacancies.

Present law provides for the La. Economic Development Fund.

Proposed law retains present law and provides that any unobligated general funds appropriated to Louisiana Economic Development at the end of a fiscal year shall be transferred to the La. Economic Development Fund.

Present law allows the corporation to establish a nonprofit corporation to qualify as a state development company to engage in cooperative endeavors with the federal government for the

purposes of participating in loan programs authorized by federal law.

Proposed law repeals present law.

Present law provides for the Small Business Innovation Fund and requires the corporation to work in conjunction with LSU La. Technology Transfer Office.

Proposed law removes present law provision requiring the corporation to work in conjunction with LSU La. Technology Transfer Office.

Proposed law directs the La. Law Institute to change references to "Department of Economic Development" to "Louisiana Economic Development" throughout the La. Revised Statutes of 1950.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(R.S. 36:4(A)(2), 101(A), 102, 104(A)(6), R.S. 39:82(B), R.S. 47:318(B)(2)(intro para) and 318(B)(2)(a), and R.S. 51:2311(A)(2) and (B), 2403(E) and (F)(3); adds R.S. 36:101(D), 104(A)(16) and (B)(10), and 110, R.S. 39:196(D), 1554(T), R.S. 51:2315(D); repeals R.S. 51:2314)