## SLS 22RS-384

## ORIGINAL

2022 Regular Session

SENATE BILL NO. 173

BY SENATOR REESE

TAX/TAXATION. Provides for program changes to the Louisiana Quality Jobs Program Act. (7/1/22)

1	AN ACT
2	To amend and reenact R.S. 51:2453(1), 2457(A)(2)(b), and 2459, relative to the Louisiana
3	Quality Jobs Program Act; to provide an additional program tier for parishes with
4	low per capita income; to provide relative to rulemaking authority for the program;
5	to provide for effectiveness; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 51:2453(1), 2457(A)(2)(b), and 2459 are hereby amended and
8	reenacted to read as follows:
9	§2453. Definitions
10	The following words or terms as used in this Chapter shall have the following
11	meaning, unless a different meaning appears from the context:
12	(1) "Benefit rate" means the following percentages:
13	(a) For new direct jobs created that pay at least fourteen dollars per
14	hour, the benefit rate shall be two percent, provided that this benefit rate shall
15	apply only to those employers located in a parish that is within the lowest
16	twenty-five percent of parishes based on per capita income.
17	(b) For new direct jobs created that pay at least eighteen dollars per hour, the

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	benefit rate shall be four percent.
2	(b)(c) For new direct jobs created that pay at least twenty-one dollars and
3	sixty-six cents per hour, the benefit rate shall be six percent.
4	* * *
5	§2457. Filing claim to receive Quality jobs rebate; determination; repayment
6	A. Payroll rebate.
7	* * *
8	(2) The application shall contain a sworn statement by a duly authorized
9	officer of the employer concerning with respect to the employer's fiscal year:
10	* * *
11	(b) The total number of and the gross payroll of:
12	(i) New direct jobs created which were paid a total of at least fourteen
13	dollars per hour.
14	(ii) New direct jobs created which were paid a total of at least eighteen
15	dollars per hour.
16	(ii)(iii) New direct jobs created which were paid a total of at least twenty-one
17	dollars and sixty-six cents per hour.
18	* * *
19	§2459. Promulgation of rules
20	The Department of Economic Development, in consultation with the
21	Department of Revenue, and the Louisiana Workforce Commission, shall each may
22	promulgate such rules as may be any rules the secretary determines are necessary
23	to implement the provisions of this Chapter. However, prior to such rules taking
24	effect all rules shall be approved by the House Committee on Ways and Means and
25	the Senate Committee on Revenue and Fiscal Affairs.
26	Section 2. This Act shall become effective on July 1, 2022; if vetoed by the governor
27	and subsequently approved by the legislature, this Act shall become effective on the day
28	following such approval by the legislature or July 1, 2022, whichever is later.

SB 173 Original

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

DIGEST 2022 Regular Session

Reese

<u>Present law</u> provides for the Louisiana Quality Jobs Program under which the Department of Economic Development can enter into contracts with qualified applicants for rebates of sales and use tax and an investment tax rebate for those employers that create a minimum number of new direct jobs.

<u>Present law</u> offers two different maximum benefit rates that are based on the average wage of the new direct jobs created:

- (1) The benefit rate is four percent for new direct jobs created that pay at least \$18 per hour.
- (2) The benefit rate is six percent for new direct jobs created that pay at least \$21.66 per hour.

<u>Proposed law</u> adds a third benefit rate of two percent for new direct jobs created that pay at least \$14 per hour.

<u>Proposed law</u> limits the applicability of the <u>proposed law</u> two percent benefit rate to jobs created by employers located in a parish that is within the lowest twenty-five percent of parishes based on per capita income.

<u>Present law</u> authorizes the Department of Economic Development, the Department of Revenue, and the Louisiana Workforce Commission to each issue necessary rules to implement the program.

<u>Proposed law</u> retains the Department of Economic Development's rulemaking authority and removes the direct rulemaking authority of the Department of Revenue and the Louisiana Workforce Commission, but requires the Department of Economic Development to consult with these departments when promulgating rules under the program.

<u>Present law</u> requires affirmative approval of all Quality Jobs rules by the Senate Committee on Revenue and Fiscal Affairs and the House Committee on Ways and Means.

<u>Proposed law</u> removes the requirement for affirmative approval of proposed rules by the legislative oversight committees.

Effective July 1, 2022.

(Amends R.S. 51:2453(1), 2457(A)(2)(b), and 2459)