



Panel moves development reports

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A legislative package meant to increase transparency on the success rate and jobs created from state economic development projects moved quickly Monday through a House committee with state agency support.

State Rep. Wayne Waddell, R-Shreveport, withdrew one bill opposed by the state Department of Economic Development that would force the publication of possible industry sites and the nature of the potential business while negotiations were still ongoing.

The House Commerce Committee approved three of Waddell's bills intended to publish more state economic development information on dollars spent and jobs created by the state's Mega-Project Development Fund, called the megafund, and the Rapid Response Fund.

"It is highly important to know how these dollars are spent," Waddell said, noting that it is even more important during tough financial times.

The intent is to get a "better understanding of the rate of return" on state incentive packages to recruit and retain businesses, Waddell said.

The legislative package was based on a report last year from the Public Affairs Research Council of Louisiana – a governmental research group – that sought more transparency in the use of the funds.

State Economic Development Secretary Stephen Moret supported three of Waddell's four bills after some amendments to the legislation were approved.

Moret said the bills make the information easier for the public to consume by putting everything into uniform reports made available online.

Moret also said much of the legislation puts existing economic development department policies into state law.

The megafund, for instance, topped \$400 million a year ago. Assistance to a Union Parish chicken plant to preserve 1,300 jobs, a startup vehicle company, a NASA assembly facility,

Federal City in New Orleans and other projects gobbled up most of those dollars. The fund now has less than \$60 million.

Waddell's House Bill 406, which was approved without objection, would require the economic development department to publicize online its twice-a-year reports to the Legislature on the funds that would lay out project performance targets, outcomes, numbers of jobs created and retained, overall payroll generated and more.

Waddell's House Bill 553, also approved, would require public reports on the funds discussing cooperative agreements, state funds spent and the creation of a formula for measuring the return on investment.

The last bill approved, House Bill 559, is specific to the Rapid Response fund and would require legal agreements detailing the minimum number of full-time jobs created or retained, minimum payroll requirements and timeframes for completing the goals.

HB553 and HB559 were approved without objection.

The bills next move to the House floor for debate.