



# House committee backs bills to require more details of Louisiana business grant spending

By Melinda Deslatte

BATON ROUGE, La. (AP) - Proposals aimed at getting more information about the numbers of jobs and the size of payroll created by Louisiana's economic development grant dollars are headed to the full House for debate.

The House Commerce Committee on Monday quickly approved a package of bills that would require more detailed reporting about the projects that get dollars from the state's Mega-Project Development Fund and the Rapid Response Fund.

Both grant funds are overseen by the Department of Economic Development. The "mega-fund" — designed to attract manufacturing facilities or other large-scale projects — contains about \$55 million, depleted from more than \$400 million. The Rapid Response Fund — designed for smaller projects — is slated to get \$15 million when the new budget year begins July 1.

Rep. Wayne Waddell, R-Shreveport, said more detailed reporting of the spending from these funds would increase accountability and help state officials determine whether the dollars were well-spent.

"How do we know if the decision was good or bad if we're not provided the information to assess?" Waddell said.

Economic Development Secretary Stephen Moret supported the legislation after it was tweaked slightly. Waddell said the bills were modeled after recommendations from the government watchdog group Public Affairs Research Council of Louisiana, which suggested more information should be available to the public about the business spending and what it brings to Louisiana.

The reports to the Legislature's joint budget committee on Oct. 1 and April 1 would be required to include the performance targets of each project, the outcomes of the grant spending, the numbers of jobs created and retained, and the overall payroll generated by the funding.

The economic analysis, legal agreements and spending for any project that receives dollars from the two grant funds would have to be posted on the economic development department's website starting Jan. 1.

Under opposition from Moret, Waddell shelved a bill that would have required details of mega-fund projects to be disclosed before the deals are final.

Moret said that measure could jeopardize efforts to attract projects. He said many businesses won't even provide details of their proposals until a state signs a nondisclosure agreement. He also said providing details of projects before they are won could give other states a competitive disadvantage over Louisiana.

"A bill like this would hurt our economic development efforts in many ways," Moret told the committee. It's critical, he said, "that we be able to maintain our existing confidentiality coverage while we're in competition with other states for available projects."