

Louisiana Senate Finance Committee



FY25 Executive Budget

**05 – Louisiana Department of
Economic Development**

March 2024

*Senator Cameron Henry, President
Senator Glen Womack, Chairman*





FY25 Executive Budget

Schedule 05 - Department of Economic Development

LED LOUISIANA
ECONOMIC
DEVELOPMENT

WHY LO

IT ALL LEADS TO LOUISIANA

From competitive incentives and world-class logistics to a deep talent pipeline backed by award-winning workforce development programs, Louisiana gives your business the edge it needs.

05-251
Office of the Secretary

Executive & Administration
Leadership, administrative support, legal services, and administration of the FastStart program

05-252
**Office of Business
Development**

Business Development Program
Expertise and incremental resources to leverage business opportunities and marketing activities

Business Incentives Program
Tax, financial, and other incentive implementation

20-931
**LED Debt Service & State
Commitments**

LED's project commitments are budgeted in Schedule 20 - Other Requirements



Economic Development

05-251 Office of the Secretary

05-251
Office of the Secretary



Executive & Administration
Leadership, administrative support,
legal services, and administration of
the FastStart program



LED FastStart
No. 1 State Workforce Development Program

Recognized for its innovation, effectiveness, flexibility and efficiency, LED FastStart® is the nation's best state workforce training program, according to Business Facilities magazine.

FastStart provides customized employee recruitment, screening, training development and training delivery for eligible, new or expanding companies — all at no cost.

The Executive and Administration Program has three activities:

1. Provides leadership and administrative services.
2. Administers the State Economic Competitiveness activity which develops best-in-class economic development policies through benchmarking and comparative rankings.
3. Administers the LED **FastStart** program to provide customized turnkey recruitment and workforce training to provide well trained/qualified employees through coordination with other state agencies.



Economic Development

05-252 Office of Business Development

05-252

Office of Business
Development

Business Development Program

Expertise and incremental resources to leverage business opportunities and marketing activities

Business Incentives Program

Tax, financial,
and other
incentive
implementation

LOUISIANA BOARD OF COMMERCE AND INDUSTRY

Governed by board members representing major economic groups and gubernatorial appointees, LED's Board of Commerce & Industry meets bimonthly and advises on applications for tax incentive programs, including **Enterprise Zone, Industrial Tax Exemption, Quality Jobs and Restoration Tax Abatement.**

LOUISIANA ECONOMIC DEVELOPMENT CORPORATION (LEDC)

Led by a board of directors appointed by the governor, LEDC reviews and administers financial assistance programs, including Small Business Loan, Micro Loan, Contract Loan, Venture Capital Match, Minority Venture Capital Match, Venture Capital Co-Investment, Louisiana Seed Capital Investment, BIDCO Investment, Specialty BIDCO Investment, and Economic Development Award Program. These programs are designed to help small businesses gain access to capital, loan guarantees, and loan participations.

LOUISIANA BOARD OF INTERNATIONAL COMMERCE

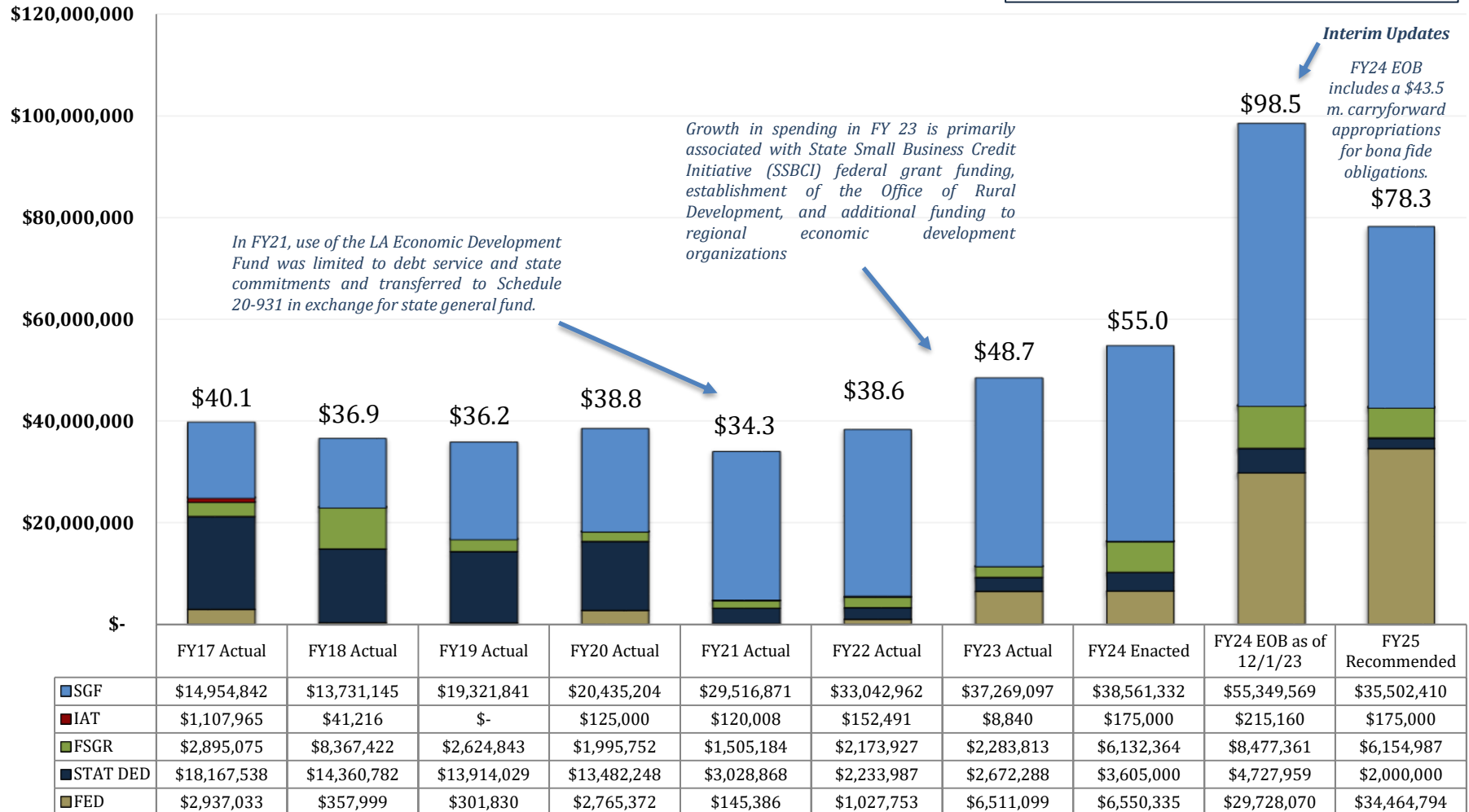
Governed by board members representing a variety of state stakeholders in international commerce, the Louisiana Board of International Commerce (LaBIC) serves as the state of Louisiana's authority to advance the state's international commerce initiatives. The board meets on a quarterly basis and implements the state strategy to enhance Louisiana's competitive position in the global marketplace by attracting foreign and domestic investment and by enhancing the state's trade-based economy.



Economic Development Changes in Funding since FY17

Total Budget by Fiscal Year and Means of Finance (in \$ millions)

Change from FY17 to FY25 is 95.4%.
(Actual to Recommended)
Change from FY17 to FY23 is 21.7%.
(Actual to Actual)





Economic Development Statewide Budget Adjustments for FY25

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$55,349,569	\$215,160	\$8,477,361	\$4,727,959	\$29,728,070	\$98,498,119	113	FY24 Existing Operating Budget as of 12-1-23
(\$267,555)	\$0	\$0	\$0	\$0	(\$267,555)	0	Attrition Adjustment
(\$6,759)	\$0	\$0	\$0	\$0	(\$6,759)	0	Capitol Park Security
\$2,310	\$0	\$0	\$0	\$0	\$2,310	0	Civil Service Fees
\$30,064	\$0	\$2,722	\$0	\$0	\$32,786	0	Group Insurance Rate Adjustment for Active Employees
\$15,887	\$0	\$0	\$0	\$0	\$15,887	0	Group Insurance Rate Adjustment for Retirees
(\$2,294)	\$0	\$0	\$0	\$0	(\$2,294)	0	Legislative Auditor Fees
\$150,364	\$0	\$27,545	\$0	\$0	\$177,909	0	Market Rate Classified
(\$16,788,237)	(\$40,160)	(\$2,344,997)	(\$1,122,959)	(\$23,177,735)	(\$43,474,088)	0	Non-recurring Carryforwards
(\$2,500,000)	\$0	\$0	\$0	\$0	(\$2,500,000)	0	Non-recur Special Legislative Project
\$23,603	\$0	\$0	\$0	\$0	\$23,603	0	Office of State Procurement
(\$178,865)	\$0	\$0	\$0	\$0	(\$178,865)	0	Office of Technology Services (OTS)
\$171,269	\$0	\$14,105	\$0	\$0	\$185,374	0	Related Benefits Base Adjustment
(\$189,516)	\$0	\$0	\$0	\$0	(\$189,516)	0	Rent in State-Owned Buildings
(\$588,613)	\$0	(\$48,526)	\$0	\$0	(\$637,139)	0	Retirement Rate Adjustment
\$7,397	\$0	\$0	\$0	\$0	\$7,397	0	Risk Management
\$275,371	\$0	\$26,777	\$0	\$0	\$302,148	0	Salary Base Adjustment
(\$1,592)	\$0	\$0	\$0	\$0	(\$1,592)	0	State Treasury Fees
\$7	\$0	\$0	\$0	\$0	\$7	0	UPS Fees
(\$19,847,159)	(\$40,160)	(\$2,322,374)	(\$1,122,959)	(\$23,177,735)	(\$46,510,387)	0	Total Statewide Adjustments
\$0	\$0	\$0	(\$1,605,000)	\$0	(\$1,605,000)	0	Total Non-recurring Other Adjustments
\$0	\$0	\$0	\$0	\$27,914,459	\$27,914,459	0	Total Other Adjustments
\$35,502,410	\$175,000	\$6,154,987	\$2,000,000	\$34,464,794	\$78,297,191	113	Total FY25 Recommended Budget
(\$19,847,159)	(\$40,160)	(\$2,322,374)	(\$2,727,959)	\$4,736,724	(\$20,200,928)	0	Total Adjustments (Statewide and Agency-specific)



Economic Development Agency-Specific Adjustments for FY25

Non-recurring Other Adjustments

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$0	\$0	(\$1,605,000)	\$0	(\$1,605,000)	0	Non-recurs Statutory Dedications out of the Small Business Innovation Retention Fund (\$1,105,000) and the Small Business Innovation Recruitment Fund (\$500,000). These funds do not have a recurring source of revenue and will be exhausted in FY 2023-2024.
\$0	\$0	\$0	(\$1,605,000)	\$0	(\$1,605,000)	0	Total Non-Recurring Other Adjustments

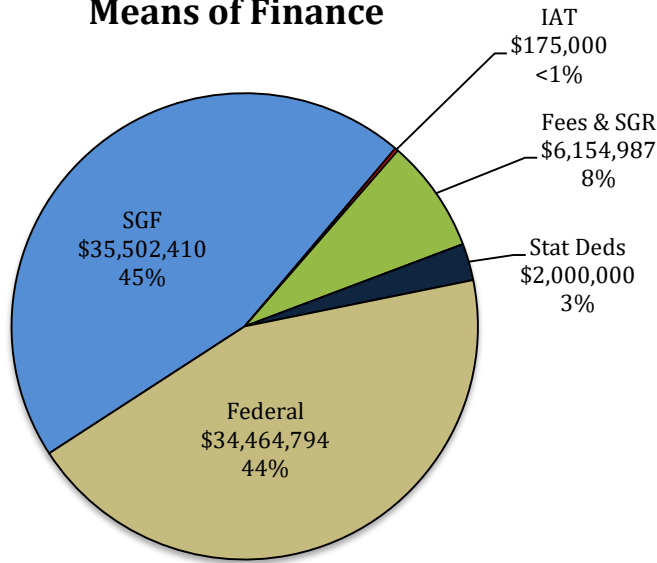
Other Adjustments

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$0	\$0	\$0	\$805,739	\$805,739	0	Provides for the first tranche of funding received from the U.S. Department of the Treasury for the State Small Business Credit Initiative (SSBCI) Technical Assistance (TA) Grant Program. The SSBCI TA Grant Program will provide legal, accounting, and financial advisory services to businesses that are applying for, preparing to apply for, or have previously applied for SSBCI or other federal programs that support small businesses. The total grant award is \$3,082,861.
\$0	\$0	\$0	\$0	\$27,108,720	\$27,108,720	0	Provides for the second tranche of funding received from the U.S. Department of the Treasury for the State Small Business Credit Initiative (SSBCI). Through SSBCI, a total of up to \$113,071,405 has been allocated to Louisiana to support private sector loans and investments to creditworthy small businesses that are unable to access the capital needed to expand and create jobs. Total funding in FY 2024-2025 for SSBCI is \$32,859,055.
\$0	\$0	\$0	\$0	\$27,914,459	\$27,914,459	0	Total Other Adjustments



Economic Development FY25 Means of Finance by Source

FY25 Recommended Means of Finance



Total \$78.3 m.

Federal Funding (\$34.5 million) is derived from the U.S. Dept. of Treasury for the State Small Business Credit Initiative (SSBCI) and from the U.S. Small Business Administration for the State Trade and Expansion Program (STEP).

Fees and Self-generated Revenues (\$6.2 million) are derived from the collection of certain specified fees from businesses applying for incentives granted by the department. The La. Entertainment Development Fund Account that contains fees from entertainment tax credit transfers is also included.

Interagency Transfers (\$175,000) are derived from the Coastal Protection and Restoration Authority (CPRA) for matching funds to support the Coastal Technical Assistance Initiative and other state agencies partnering in economic initiatives.

Statutory Dedications	Source of Funding	FY23 Actual	FY24 EOB as of 12-1-23	FY25 Recommended	Change from FY24 EOB to FY25 Recommended
Marketing Fund	Annual \$2M deposit of state sales tax	\$2,316,001	\$3,059,832	\$2,000,000	(\$1,059,832)
Total		\$2,316,001	\$3,059,832	\$2,000,000	(\$1,059,832)

Notes on Statutory Dedications:

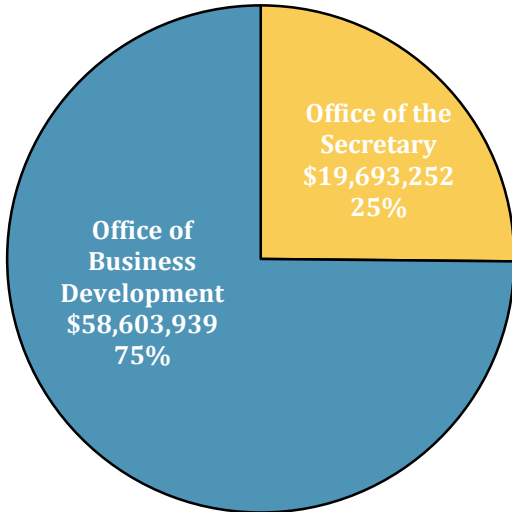
* In FY23, La. Economic Development Fund is appropriated in Schedule 20-931 LED Debt Service and State Commitments.

** In FY23, La. Entertainment Development was converted to a fund account and classified as fees and self-generated revenue. This represents \$2.7 m. in FY25.

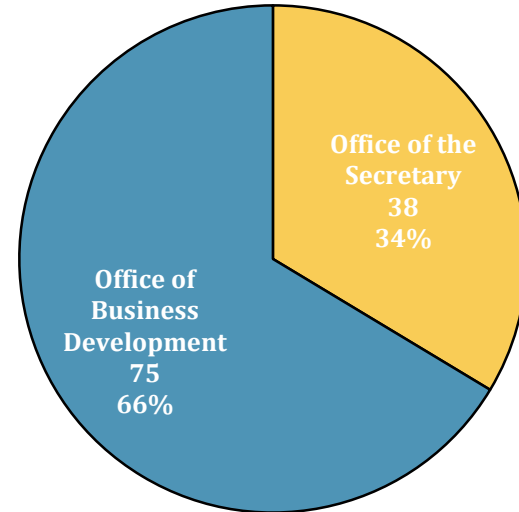


Economic Development FY25 Office Breakdown

FY25 Recommended Budget



FY25 Authorized Positions



Office Comparison	FY23 Actual	FY24 Enacted	FY24 EOB as of 12-1-23	FY25 Recommended	Difference FY24 EOB vs. FY25 Recommended
Office of the Secretary	\$17,178,989	\$20,085,905	\$23,882,139	\$19,693,252	(\$4,188,887)
Office of Business Development	\$31,642,148	\$34,938,126	\$74,615,980	\$58,603,939	(\$16,012,041)
TOTAL FUNDING	\$48,821,137	\$55,024,031	\$98,498,119	\$78,297,191	(\$20,200,928)
Office of the Secretary	35	38	38	38	0
Office of Business Development	78	75	75	75	0
TOTAL POSITIONS	113	113	113	113	0



Categorical Expenditures

Examples of Categories

Departments expend funding in the five major categories listed below.

Personal Services

- Salaries – Regular, overtime, and termination pay for Classified and Unclassified personnel.
- Other Compensation – Wages, student labor, compensation for board members and/or board of trustees, evening instruction, university instructors, etc.
- Related Benefits – Retirement contributions, post-retirement contributions/benefits, FICA tax, Medicare tax, group insurance contributions, compensated absences, other related benefits, taxable fringe benefits, etc.

Total Operating Expenses

- Travel – In-state and Out-of-state, including meal reimbursement.
- Operating Services – Advertising, printing, insurance, maintenance, rentals, data processing, internet costs, dues and subscriptions, mail delivery, telephones, data lines, vehicle tracking and telematics, utilities, depreciation, amortization, banking services, credit card fees, etc.
- Supplies – office supplies and equipment, computers, clothing and uniforms, medical, pharmaceutical, food, automotive, repair and maintenance, software, etc.

Professional Services – Accounting, auditing, management consulting, engineering, architectural, legal, medical and dental, veterinary, information technology, etc.

Total Other Charges

- Other Charges – Aid to school boards, local government, etc.; public assistance; miscellaneous charges; judgments, fines, and penalties; interest on judgments; punitive/compensatory damages; OC personal services, operating expenses, professional services; contract attorney expenses; recoupments; furlough; contractual services; interest expense; claim payments; commercial group insurance; reinsurance; loans issued; disbursements; etc.
- Debt Service – Principal, interest, related charges, reserve requirement, amortization, and bond premiums.
- Interagency Transfer Line-Item Expenditure – Any expenses paid for with Interagency Transfers – from commodities and services to equipment.

Acquisitions and Major Repairs

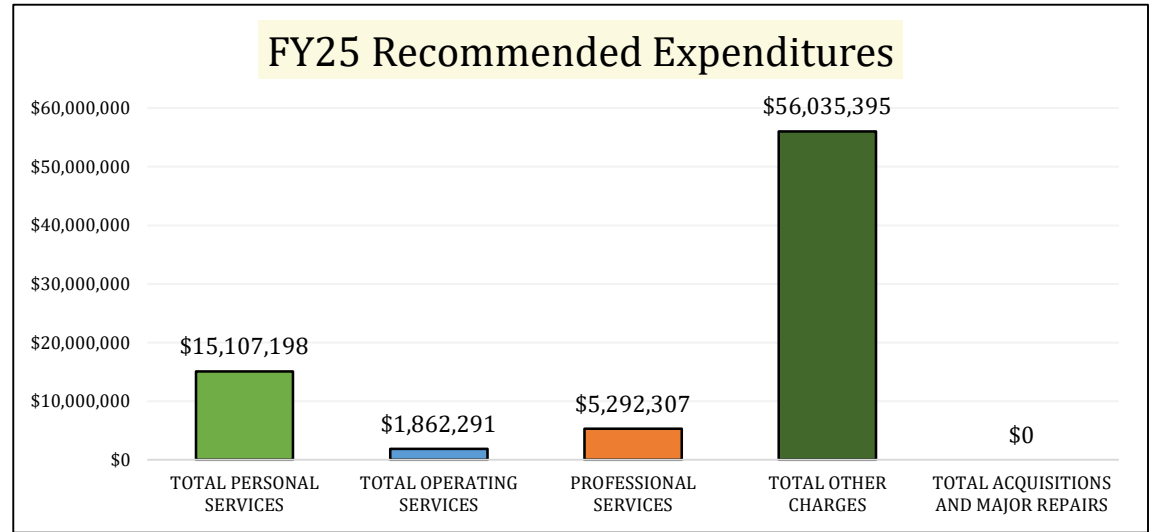
- Acquisitions – Land; buildings; automobiles; aircraft; accessories; equipment; software; hardware; farm and heavy equipment; boats; capital outlay expenditures; construction; etc.
- Major Repairs – Land improvement; buildings; automotive; grounds; boats; aircraft; movable equipment; farm equipment; medical; office; library; education; recreation; communication; other equipment; pollution remediation; etc.



Economic Development Categorical Expenditures at FY25 Recommended

The largest expenditure category in LED is Other Charges, which comprises 71.6 percent of the agency's budget. This houses funding for the State Small Business Credit Initiative (SSBCI) program, the FastStart program, and several of LED's business development and incentive programs.

Personal Services make up the second largest portion of the agency's budget at 19.3 percent. Within this category, Salaries make up 66 percent of expenditures, while Related Benefits contributes 33 percent.



Categorical Expenditures	FY23 Actual	FY24 Enacted	FY24 EOB as of 12/01/23	FY25 Recommended	Difference FY24 EOB vs. FY25 REC
Salaries	\$9,386,746	\$9,699,387	\$9,699,387	\$9,950,339	\$250,952
Other Compensation	\$56,244	\$126,014	\$126,014	\$126,014	\$0
Related Benefits	\$4,981,308	\$5,472,387	\$5,472,387	\$5,030,845	(\$441,542)
TOTAL PERSONAL SERVICES	\$14,424,298	\$15,297,788	\$15,297,788	\$15,107,198	(\$190,590)
Travel	\$592,136	\$704,603	\$704,603	\$704,603	\$0
Operating Services	\$804,102	\$975,432	\$999,110	\$975,432	(\$23,678)
Supplies	\$101,747	\$182,256	\$182,256	\$182,256	\$0
TOTAL OPERATING EXPENSES	\$1,497,985	\$1,862,291	\$1,885,969	\$1,862,291	(\$23,678)
PROFESSIONAL SERVICES	\$4,511,351	\$5,292,307	\$9,481,000	\$5,292,307	(\$4,188,693)
Other Charges	\$26,592,474	\$30,232,304	\$69,494,021	\$54,041,763	(\$15,452,258)
Debt Service	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$1,795,028	\$2,339,341	\$2,339,341	\$1,993,632	(\$345,709)
TOTAL OTHER CHARGES	\$28,387,502	\$32,571,645	\$71,833,362	\$56,035,395	(\$15,797,967)
Acquisitions	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0
TOTAL ACQ. & MAJOR REPAIRS	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$48,821,137	\$55,024,031	\$98,498,119	\$78,297,191	(\$20,200,928)



Economic Development Categorical Expenditures at FY25 Recommended

Professional Services

Amount	Description
\$3,700,000	For providing advertising, promotion, and marketing related services for the department's programs, with emphasis on an economic approach targeted at identified economic development industries.
\$531,475	Professional services with regard to Entertainment Promotion and Marketing.
\$470,000	To obtain additional development, enhancement, continued integration and support services for the Department's Fastlane and SmallBiz relational database systems, including, but not limited to other projects as may be deemed by the Department or Legislation as a necessary for the function of LED.
\$300,000	Foreign Representatives - Support the goals of the Louisiana International Commerce Master Plan by increasing exposure in key international markets and regions, and particularly in Germany, Switzerland, Austria, the United Kingdom, the People's Republic of China, South Korea, Japan, and Latin America to increase economic competitiveness of Louisiana through enhanced international economic development strategies, programs and services in key international markets.
\$175,000	Provides professional and reliable legal counsel, advice, service assistance, and representation with regard to any and all types of categories of various legal matters and services as needed.
\$85,500	Obtain additional development enhancement, continued integration and support services for the FastLane relational database system, as well as other professional services as needed
\$14,000	Transcription of minutes of various meetings of the Board of Directors of the Commerce and Industry Board.
\$10,000	For providing professional and reliable counsel, advice, services, assistance, and representation with regard to any and all types and categories of various legal matters and services.
\$4,832	Update and maintain the electronic catalog of all materials housed in the LED Library Market Research - Market research in each of the industry areas and any other services deemed necessary.
\$1,500	Miscellaneous Professional Services - Participations with economic development organizations, local governments, etc. for joint economic related activities
\$5,292,307	Total Professional Services

Interagency Transfer Expenses

Amount	Description
\$893,873	Office of Technology Services
\$536,411	Rent in State-Owned Buildings

Interagency Transfers Expenses (cont.)

Amount	Description
\$120,947	Office of Risk Management
\$105,587	Legislative Auditor
\$79,093	Office of State Procurement
\$75,000	Office of Facility Planning and Control (Capital Outlay administrative expenses)
\$72,556	DPS - Security of Capitol Annex
\$31,466	Civil Service Fees
\$26,707	Topographical Mapping
\$9,598	DOA - Rule Publications
\$9,031	DOA - Other Maintenance
\$6,751	Uniform Payroll System (UPS)
\$14,059	DOA - Postage
\$3,000	DOA - Rule Publications
\$2,861	Comprehensive Public Training Program
\$2,389	Treasury Fees
\$4,303	Miscellaneous Fees
\$1,993,632	Total IAT Expense



Economic Development Categorical Expenditures at FY25 Recommended

Other Charges

Amount	Description
\$32,859,055	Federal State Small Business Credit Initiative (SSBCI) - to support private sector loans and investments to small businesses
\$8,809,274	FastStart Initiatives - to provide comprehensive workforce training services, from pre-employment assessment and training to customized, job specific training that delivers the right skills a business needs.
\$2,700,000	Entertainment Industry Development - establishes educational and workforce development initiatives, as well as provide assistance for Louisiana film makers. Utilizes the Louisiana Entertainment Development Dedicated Fund Account.
\$1,760,000	Economic Development Regional Awards and Matching Grant Program - provides assistance to eligible economic development organizations in their comprehensive and strategic marketing and/or recruitment plans for towns, cities, parishes and regions as a site for new and/or expanded business development.
\$1,406,330	State Economic Competitiveness - focuses on economic development strategy and planning by benchmarking state public policies (business taxes, incentives, workforce programs, worker's compensation, etc.).
\$1,000,000	Small Business Development Centers (SBDC) - provides management assistance and business counseling to Louisiana small businesses.
\$895,540	Small and Emerging Business Development - provides technical assistance to certified small and emerging businesses, which includes entrepreneurial training and other specialized services to businesses.
\$805,739	State Small Business Credit Initiative (SSBCI) Technical Assistance (TA) Grant Program - provides technical assistance for legal, accounting, and financial advisory services to businesses that are applying for, preparing to apply for, or have previously applied for SSBCI or other federal programs that support small businesses.
\$800,000	The Louisiana State Trade Expansion Program (STEP) Grant - interagency partnership to leverage the best practices of federal, state, and local export promotion organizations.
\$675,563	Marketing Education Retail Alliance (MERA) program - rewards and motivates high school students throughout the state by providing enhanced and/or enriched learning opportunities in the marketing sector.
\$437,450	Special marketing funding for meetings with prospects, group activities, special events, and other activities to promote economic activity and stimulate interest in Louisiana as a business location.
\$341,426	Louisiana Business Technology Center - matches Louisiana businesses with resources of federal lab systems including NASA/Stennis and NASA/Michoud.

Other Charges (cont.)

Amount	Description
\$250,000	Coastal Technical Assistance Center (CTAC) - funds a technical assistance center within Nicholls State University to assist in building the capacity of Louisiana-based small businesses in coastal restoration and protection efforts.
\$250,000	Project Specific Site Preparation/Evaluation
\$250,000	Marketing Education Initiatives - District 2 Enhancement Corporation - educates and trains youth and young adults in selected areas of the fashion and retail industry.
\$200,000	Louisiana Business Incubation Support - supports incubators in their mission of creating, developing, and mentoring small businesses in the state.
\$190,000	Louisiana Economic Development Corporation (LEDC) - Funds the Louisiana Small Business Loan Program, Venture Capital Programs, Business and Industrial Development Corporation Programs (BIDCO), Micro Loan Program, and Contract Loan Program, and any other programs as approved by the Board of the LEDC.
\$185,000	Procurement Technical Assistance Center (PTAC) - Funds a technical assistance center within the University of Louisiana at Lafayette in providing Louisiana-based businesses with specialized and professional procurement technical assistance for obtaining and performing under federal, state, and local contracts.
\$74,437	Louisiana Council for Economic Education - provides administrative services, to facilitate the planning, coordinating, and performance of economic education activities
\$57,533	Entertainment Promotion and Marketing - Funds meetings with prospects, group activities and special events, and activities to promote entertainment activity and stimulate interest in Louisiana as a business location.
\$50,000	Various services provided to state agencies, including contracting for economic impact studies, provision of technical experts, and cohosting events.
\$27,500	Funding to provide CPA Audit Services for the Louisiana Economic Development Corporation.
\$10,000	Special Marketing - Funds used to escort prospects, group activities, special marketing events, and activities to promote economic activity and stimulate interest in Louisiana as a business location.
\$6,916	Various professional services as deemed necessary.
\$54,041,763	Total Other Charges

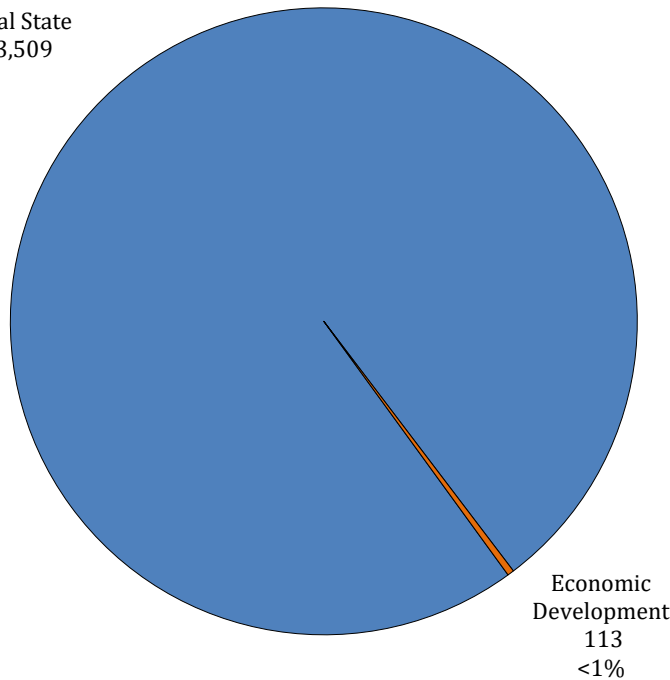


Economic Development

FTEs, Authorized T.O., and Other Charges Positions

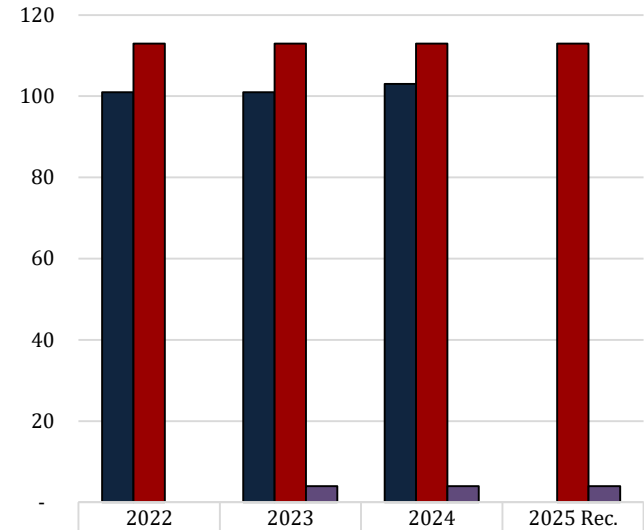
**FY25 Recommended Department Employees
as a portion of
FY25 HB 1 Authorized Positions**

Total State
33,509



FY24 number of funded, but not filled,
positions as of January 29 = 16

**Number
and
Types
of
Positions**



	2022	2023	2024	2025 Rec.
■ Total FTEs (1st July Report)	101	101	103	
■ Authorized T.O. Positions	113	113	113	113
■ Other Charges Positions	-	4	4	4

The full-time equivalent or **FTE** definition refers to the number of hours considered full-time. For example, if an agency considers 40 hours full time, and there are two employees working 20 hours per week, those two employees would be 1.0 FTE.

Authorized Positions are those referred to in the Table of Organization (or T.O.) for each department. This count includes only those positions paid for from the Salaries expenditure category for the organization units and agencies included in each department's appropriation. This excludes positions paid for from other expenditure categories, such as wages or per diem.

Other Charges positions are authorized under R.S. 39:2(5)(b):

- (5)(b) "Authorized other charges positions" means the number of positions in an appropriation bill to be funded by the other charges continuing category of the accounting system for the state. The number may be adjusted during a fiscal year in accordance with law.
- [Act 377 of 2013 by Rep. Burrell]
 - Positions coded in the Other Charges expenditure category
 - These positions are usually associated with federal grants



Economic Development Related Employment Information

Salaries and Related Benefits for the 113 Authorized Positions are listed below in Chart 1.
In Chart 2, benefits are broken out to show the portion paid for active versus retired employees.
This is where payments for the Unfunded Accrued Liability (UAL) can be found.

1.

Personal Services	2022 Actual	2023 Actual	2024 Enacted	2025 Recommended
Salaries	\$8,841,586	\$9,386,746	\$9,699,387	\$9,950,339
Other Compensation	\$41,027	\$56,244	\$126,014	\$126,014
Related Benefits	\$4,578,843	\$4,981,308	\$5,472,387	\$5,030,845
Total Personal Services	\$13,461,456	\$14,424,298	\$15,297,788	\$15,107,198

Average T.O Salary = \$88,560

Examples of Other Compensation include pay for WAE employees, part-time employees, student workers, etc.

2.

Related Benefits FY25 Recommended	Total Funding	%
Total Related Benefits	\$5,030,845	
UAL payments	\$2,778,121	55%
Retiree Health Benefits	\$447,807	
Remaining Benefits*	\$1,804,917	
Means of Finance	General Fund = 92%	Other = 8%

Department Demographics	Total	%
Gender		
Female	65	65
Male	35	35
Race/Ethnicity		
White	68	68
Black	29	29
Other	3	3
Currently in DROP or Eligible to Retire	13	13

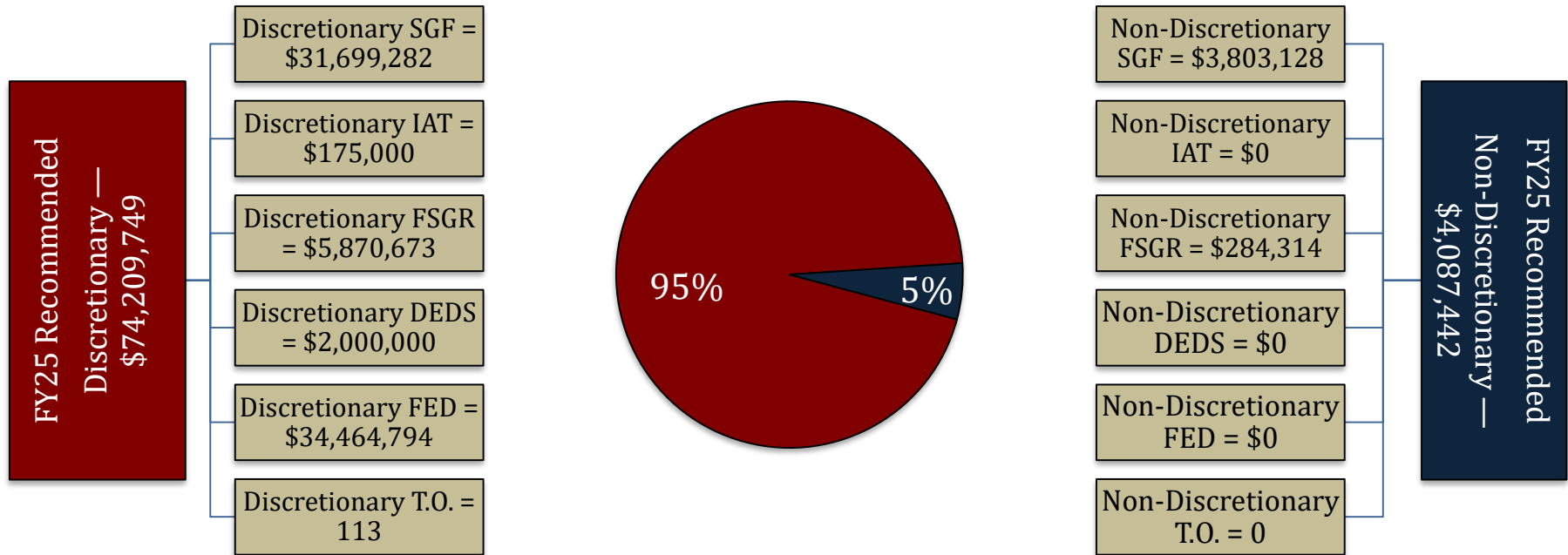
* Remaining Benefits include employer contribution to authorized positions' retirement, health, Medicare, FICA, Emoluments etc. The authorized positions include authorized T.O. positions and authorized other charges positions, both filled and vacant.

Other Charges Benefits*
\$74,689



Economic Development

FY25 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by Office		
Office of Secretary	\$ 17,406,153	23%
Office of Business Development	\$ 56,803,596	77%
Total Discretionary	\$ 74,209,749	100%

Total Non-Discretionary Funding by Type		
UAL Obligation	\$ 2,778,121	68%
Rent in State-owned Buildings	\$ 725,927	18%
Legislative Auditor Fees	\$ 105,587	3%
Retirees Group Insurance	\$ 477,807	12%
Total Non-Discretionary	\$ 4,087,442	100%

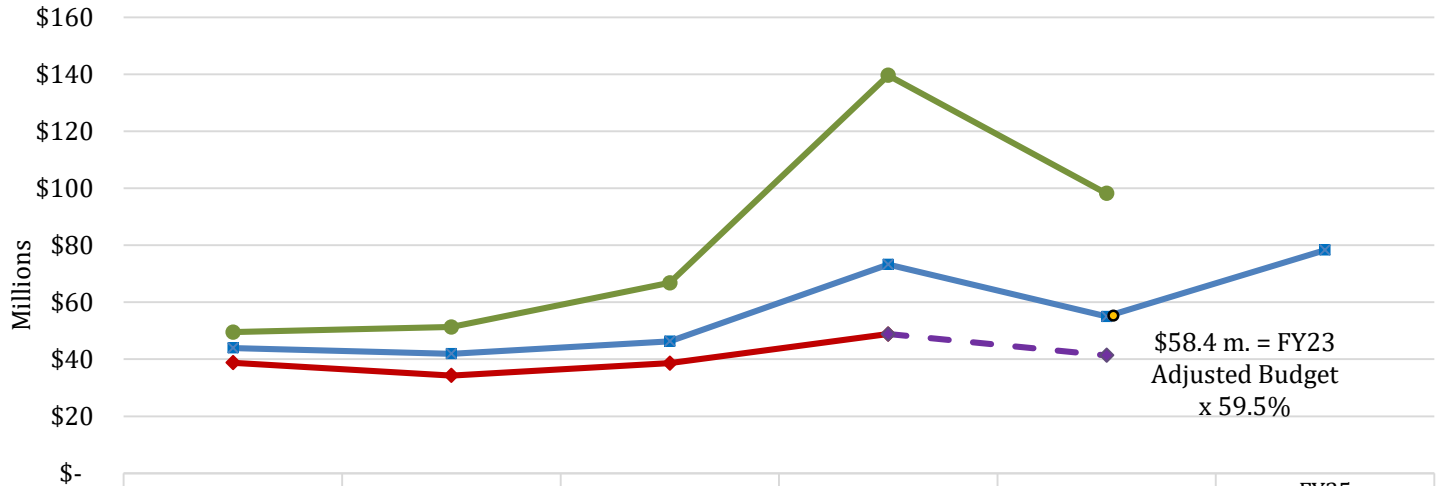


05 Department of Economic Development Enacted & FYE Budget vs. Actual Expenditures FY20 to FY23

FYE Budget = "Fiscal Year End" Budget includes all in-house and regular BA-7s through June 30 of the fiscal year. For FY24, it is as of January.

**FY24 Known
Supplemental Needs:
\$0**

**FY23 General Fund
Reversions:
\$2,698,190**



	FY20	FY21	FY22	FY23	FY24 EOB	FY25 Recommended
Enacted Budget	\$43,944,128	\$41,925,149	\$46,320,750	\$73,250,920	\$55,024,031	\$78,297,191
FYE Budget	\$49,520,955	\$51,338,157	\$66,808,941	\$139,636,368	\$98,198,119	
Actual Expenditures	\$38,803,576	\$34,316,320	\$38,631,121	\$48,821,137		
FY24 Expenditure Trend				\$48,821,137	\$41,374,623	

Monthly Budget Activity				
	FY24 Adjusted Budget	FY24 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
Jul-23	\$ 55,024,031	\$ 1,428,152	\$ 53,595,879	2.6%
Aug-23	\$ 98,498,119	\$ 4,460,703	\$ 94,037,416	4.5%
Sep-23	\$ 98,498,119	\$ 8,456,493	\$ 90,041,626	8.6%
Oct-23	\$ 98,498,119	\$ 12,330,519	\$ 86,167,600	12.5%
Nov-23	\$ 98,498,119	\$ 16,921,839	\$ 81,576,280	17.2%
Dec-23	\$ 98,498,119	\$ 20,454,499	\$ 78,043,620	20.8%
Jan-24	\$ 98,498,119	\$ 24,135,197	\$ 74,362,922	24.5%

Monthly Budget Activity				
	FY24 Adjusted Budget	FY24 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
<i>(Trend based on average monthly expenditures to date)</i>				
Feb-24	\$ 98,498,119	\$ 27,583,082	\$ 70,915,037	28.0%
Mar-24	\$ 98,498,119	\$ 31,030,967	\$ 67,467,152	31.5%
Apr-24	\$ 98,498,119	\$ 34,478,853	\$ 64,019,266	35.0%
May-24	\$ 98,498,119	\$ 37,926,738	\$ 60,571,381	38.5%
Jun-24	\$ 98,498,119	\$ 41,374,623	\$ 57,123,496	42.0%
Historical Year End Average				59.5%



Economic Development Program Funding for FY25

Major Program Funding:

- \$33.7 million of federal funds for the **State Small Business Credit Initiative (SSBCI)**. SSBCI provides support of private sector loans and investments to creditworthy small businesses that are unable to access the capital needed to expand and create more jobs.
- \$8.8 million from the general fund for the **FastStart Program**. Fast Start delivers comprehensive workforce training services to businesses that are looking to relocate or expand by providing turnkey employee training and delivery solutions, and recruitment.
- \$2.7 million from the **Louisiana Entertainment Development Fund** is provided for education development initiatives, matching grants for Louisiana filmmakers, loan guarantee programs, and deal closings.
- \$1.8 million provided for the **Economic Development Regional Awards and Matching Grant Program** which offers assistance to economic development organizations in their comprehensive and strategic marketing and recruitment plans for towns, cities, parishes and regions as a site for new or expanded business development.
- \$1.4 million from the general fund for **State Economic Competitiveness** for strategy and planning by benchmarking state public policies.
- \$1 million distributed to the **Small Business Development Centers** allowing for management assistance and business counseling to Louisiana small businesses.
- \$895,540 allocated for **Small and Emerging Business Development**. This provides technical assistance to certified small and emerging businesses by providing managerial and developmental services that include entrepreneurial training and other specialized support.



Incentive Expenditure Forecast

Louisiana Economic Development administers the following incentive expenditure programs and the Department of Revenue estimates the value of each at the Revenue Estimating Conference:

		FY22 Actual	FY23 Actual	FY24 YTD through Nov.	FY25 Projected
Louisiana Quality Jobs Program Act	(R.S. 51:2451)	\$198,019,582	\$150,061,656	\$45,185,070	\$190,000,000
Motion Picture Investor Tax Credit	(R.S. 47:6007)	\$152,651,252	\$134,482,120	\$35,766,087	\$180,000,000
Louisiana Enterprise Zone Act	(R.S. 51:1781)	\$43,288,448	\$23,070,138	\$2,077,004	\$35,800,000
Digital Interactive Media and Software Act	(R.S. 47:6022)	\$22,994,135	\$16,914,877	\$8,881,600	\$86,343,000
Research and Development Tax Credit	(R.S. 47:6015)	\$7,577,391	\$11,488,084	\$4,236,141	\$7,400,000
Retention and Modernization Act	(R.S. 51:2399.1-.6)	\$2,892,000	\$2,302,000	\$0	\$6,000,000
Industrial Tax Equalization Program	(R.S. 47:3201-3205)	\$4,503,247	\$2,204,958	Negligible	\$2,500,000
Angel Investor Tax Credit Program	(R.S. 47:6020)	\$2,532,525	\$1,782,014	\$269,226	\$4,070,000
Exemptions for Manufacturing Establishments	(R.S. 47:4301-4306)	\$1,250,291	\$886,430	\$0	\$750,000
Musical and Theatrical Productions Income Tax Credit	(R.S. 47:6034)	\$1,246,968	\$758,797	\$441,406	\$5,100,000
Sound Recording Investor Tax Credit	(R.S. 47:6023)	\$21,303	\$47,229	\$0	\$50,000
New Markets Tax Credit	(R.S. 47:6016)	\$54,067	\$0	Not in Effect	Not in Effect
Competitive Projects Payroll Incentive Program	(R.S. 51:3121)	\$0	\$0	\$0	\$0
Ports of Louisiana Tax Credits	(R.S. 47:6036)	\$0	\$0	\$0	\$0
Corporate Headquarters Relocation Program	(R.S. 51:3111)	Not in Effect	Not in Effect	Not in Effect	Not in Effect
Louisiana Community Economic Development Act	(R.S. 47:6031)	Not in Effect	Not in Effect	Not in Effect	Not in Effect
Louisiana Motion Picture Incentive Act	(R.S. 47:1121)	Not in Effect	Not in Effect	Not in Effect	Not in Effect
Tax Credit for Green Jobs Industries	(R.S. 47:6037)	Not in Effect	Not in Effect	Not in Effect	Not in Effect
Technology Commercialization Credit and Jobs Program	(R.S. 51:2351)	Not in Effect	Not in Effect	Not in Effect	Not in Effect
University Research and Development Parks	(R.S. 17:3389)	Not in Effect	Not in Effect	Not in Effect	Not in Effect
Urban Revitalization Tax Incentive Program	(R.S. 51:1801)	Not in Effect	Not in Effect	Not in Effect	Not in Effect
Atchafalaya Trace Heritage Area Development Zone (with CRT)	(R.S. 25:1226)	\$0	\$0	\$0	\$0
TOTAL INCENTIVES ADMINISTERED BY LED		\$437,031,209	\$343,998,303	\$96,856,534	\$518,013,000



Economic Development

Examples of Incentive Programs



THEODENT, NEW ORLEANS

ANGEL INVESTOR TAX CREDIT

Up to a 25 percent tax credit for individual investors who invest in early stage, wealth-creating businesses that seek start-up and expansion capital.



K&B INDUSTRIES, SCHRIEVER

ENTERPRISE ZONE

Either a \$3,500 or \$1,000 tax credit for each certified net, new job created and either a state sales/use tax rebate on capital expenses or 1.5 percent investment tax credit for qualifying expenses.



GDIT, BOSSIER CITY

DIGITAL INTERACTIVE MEDIA AND SOFTWARE PROGRAM

A 25 percent tax credit for in-state labor, and an 18 percent credit for eligible production expenditures



PIXEL MAGIC, BATON ROUGE

ENTERTAINMENT JOB CREATION PROGRAM

A 15 percent or 20 percent tax credit on annual wages to qualified entertainment companies (QEC) that create a minimum of five well-paid net new jobs for Louisiana residents.



20-931 LED Debt Service & State Commitments

FY 25 Recommended Budget Overview

Means of Finance	FY23 Actual	FY24 Enacted	FY24 EOB as of 12-1-23	FY25 Recommended	Difference FY24 EOB to FY25 Recommended
State General Fund	\$ 7,159,433	\$ 9,224,330	\$ 27,734,504	\$ 22,467,414	\$ (5,267,090)
Interagency Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
Fees & Self-generated Revenues	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Statutory Dedications	\$ 13,497,894	\$ 54,921,545	\$ 96,794,230	\$ 37,701,061	\$ (59,093,169)
Federal	\$ 4,240,115	\$ 9,029,540	\$ 11,628,901	\$ -	\$ (11,628,901)
TOTAL	\$25,147,442	\$73,175,415	\$136,157,635	\$60,168,475	(\$75,989,160)

Louisiana Economic Development Debt Service and State Commitments provides for the scheduled annual payments due for bonds and state project commitments.

FY25 Recommended Budget Adjustments:

(\$62,982,220) Total – Non-recurring carryforwards

\$3,650,000 State General Fund – Funding for FY25 payment of New Orleans Pelicans

(\$16,656,940) Total – Funding required for project commitments



20-931 LED Debt Service & State Commitments

FY 25 Recommended Budget Overview

Dedicated Funds provide nearly 63 percent of the total FY25 Recommended means of finance.

Statutory Dedications	Source of Funding	FY23 Actual	FY24 EOB as of 12-1-23	FY25 Recommended	Change from FY24 EOB to FY25 Recommended
Louisiana Economic Development Fund	State sales tax	\$8,933,305	\$41,319,141	\$17,956,274	(\$23,362,867)
Louisiana Mega-Project Development Fund	Appropriation	\$0	\$2,021,863	\$400,000	(\$1,621,863)
Rapid Response Fund	Balance of \$10m. Annually and appropriation	\$4,564,588	\$53,453,226	\$19,344,787	(\$34,108,439)
	Total	\$13,497,893	\$96,794,230	\$37,701,061	(\$59,093,169)

Statutory Dedications	Authorization and Explanation
Louisiana Economic Development Fund	R.S. 51:2315 - Act 404 of the 2019 Regular Session directs all funds to be used exclusively for Debt Service and Project Commitments.
Louisiana Mega-Project Development Fund	R.S. 51:2365 - For immediate funding of all or a portion of economic development projects which may be necessary to successfully secure the creation or retention of jobs for a business entity under such circumstances as may be determined by the secretary and governor.
Rapid Response Fund	R.S. 51:2361 - For immediate fundign fo all or a portion of economic developmetn projects which may be necessary to successfully secure the creation or retention of jobs for a business entity under such circumstances as may be determined by the secretary and governor.



20-931 LED Debt Service & State Commitments

Project Obligations for State Commitments (1 of 3)

Parish	Project	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
Ascension	Air Products	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	\$0
Ascension	BASF	\$0	\$0	\$0	\$0	\$0	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000
Ascension	CF Industries #1	\$0	\$2,000,000	\$2,000,000	\$0	\$2,000,000	\$0	\$0	\$0	\$0	\$0
Ascension	CF Industries #2	\$0	\$1,000,000	\$1,000,000	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0
Ascension	Element 25	\$0	\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$0	\$0
Ascension	Mitsubishi Chemical Corporation	\$2,000,000	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ascension	Origina Materials	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	\$0
Ascension	Renewable Energy Group (REG)	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0
Bossier	Bossier Parish Community College (CAMET)	\$365,000	\$365,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bossier	CSC - LA Higher Ed Institution - Bossier PCC	\$250,000	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bossier	Louisiana Applied Research Corporation	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Caddo	Advanced Call Center Technologies	\$100,000	\$100,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
Caddo	American Electric Power	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Caddo	Biomedical Research Foundation of NW LA	\$250,000	\$250,000	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Caddo	BIA Energy Operating Company	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Caddo	Cameron International/SLB	\$0	\$500,000	\$1,000,000	\$1,250,000	\$1,250,000	\$0	\$0	\$0	\$0	\$0
Caddo	Prolec	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0
Calcasieu	Citadel Completions	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$200,000	\$200,000	\$0	\$0	\$0	\$0
Caldwell	Strategic BioFuels	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0
East Baton Rouge	Brown & Root	\$150,000	\$150,000	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
East Baton Rouge	FG LA, LLC (Formosa)	\$0	\$0	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$0	\$0	\$0
East Baton Rouge	IBM-Baton Rouge	\$0	\$1,250,000	\$150,000	\$3,303,175	\$0	\$0	\$0	\$0	\$0	\$0



20-931 LED Debt Service & State Commitments

Project Obligations for State Commitments (2 of 3)

Parish	Project	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
East Baton Rouge	IBM-Baton Rouge-Wilbur Marvin Foundation	\$500,000	\$0	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$0	\$0	\$0
East Baton Rouge	IBM-Baton Rouge-Southern Univ-Higher Ed Component	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
East Baton Rouge	Premier Health	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
East Baton Rouge	Stephenson Technologies Corporation (STC)	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Evangeline	Cabot Corporation	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Iberia	Delta BioFuels	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Iberia	First Solar	\$0	\$10,000,000	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Iberville	Mexichem Flour	\$0	\$0	\$1,500,000	\$1,500,000	\$0	\$0	\$0	\$0	\$0	\$0
Iberville	Shintech	\$1,650,000	\$1,650,000	\$1,650,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Jefferson	Breeze Airways	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$0	\$0
Lafayette	CGI - LA Higher Ed Institution - UL Lafayette	\$375,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lafayette	Lafayette Economic Development Authority	\$0	\$530,000	\$530,000	\$530,000	\$530,000	\$530,000	\$530,000	\$530,000	\$530,000	\$530,000
Lafayette	LHC Group	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$0	\$0	\$0	\$0
Lafayette	Schlumberger	\$0	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$0
Lafayette	Schoolmint	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$0	\$0	\$0
Lafayette	Tides Medical	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lincoln	Grambling State University -	\$0	\$252,600	\$341,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Orleans	Essence - (Economic Programs)	\$1,450,000	\$1,450,000	\$1,450,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Orleans	International-Matex Tank Terminals (IMTT)	\$75,000	\$75,000	\$75,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Orleans	GNO, Icn/H2TheFuture	\$8,180,000	\$5,745,000	\$3,110,000	\$2,475,000	\$0	\$0	\$0	\$0	\$0	\$0
Orleans	Wilbur Marvin Space Campus	\$20,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Orleans	Louisiana Cancer Research Center	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Orleans	New Orleans Pelicans	\$0	\$3,650,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Orleans	United Utility Services	\$0	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0



20-931 LED Debt Service & State Commitments

Project Obligations for State Commitments (3 of 3)

<i>Parish</i>	<i>Project</i>	<i>FY24</i>	<i>FY25</i>	<i>FY26</i>	<i>FY27</i>	<i>FY28</i>	<i>FY29</i>	<i>FY30</i>	<i>FY31</i>	<i>FY32</i>	<i>FY33</i>
Ouachita	CenturyLink	\$2,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ouachita	IBM Monroe-Century Tower -Lease Support	\$250,000	\$250,000	\$260,000	\$260,000	\$260,000	\$260,000	\$180,708	\$0	\$0	\$0
Ouachita	IBM Monroe-ULM-Education Component	\$300,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rapides	CSC - LA Higher Ed Institution - Northwestern	\$170,875	\$170,875	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rapides	SunGas Renewables	\$0	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rapides	UCORE North America	\$0	\$400,000	\$300,000	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0
Red River	ADA Carbon Solutions	\$0	\$500,000	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0
St. Charles	St. Charles Clean Fuels	\$0	\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$0	\$0
St. John	L4T Louisiana, LLC	\$0	\$0	\$250,000	\$250,000	\$250,000	\$250,000	\$0	\$0	\$0	\$0
St. Landry	Coastal Plains Meat Company	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
St. Martin	SafeSource Direct	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0
Statewide	Military Efforts	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$0	\$0	\$0
Tangipahoa	Medline	\$500,000	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tangipahoa	IBM-Baton Rouge-Southeastern Univ-Higher Ed Component	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tangipahoa	Intralox	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Multiple parishes	ULM Tech Park / BRIP	\$800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Statewide	*Rapid Response Program (StatDed)	\$9,800,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Statewide	Stellar	\$1,000,000	\$1,000,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Annual LED Commitment Total	\$64,145,875	\$60,168,475	\$52,996,400	\$39,748,175	\$28,670,000	\$20,820,000	\$18,790,708	\$12,410,000	\$12,180,000	\$11,930,000