

HB 409 -- Economic Incentives

Co-Sponsors: Jolly, Darrough, Bland, LeVota, Yaeger, Curls, Corcoran, Donnelly, Walker, Dougherty

For any contract or agreement between the Department of Economic Development and another party that provides grants, loans, or other assistance to which a monetary value can be assigned, current law requires the department to specify that the recipient will use the grant, loan, or other assistance solely as required by the program through which the assistance was provided and that misappropriated funds be repaid in full to the department. This bill applies the same conditions to tax credits.

In addition, the bill requires the department for each grant, loan, or tax credit to:

- (1) Describe the economic incentive, including its amount and type;
- (2) State why the economic incentive is needed;
- (3) State the public purpose for the incentive;
- (4) State the goals for the incentive and the time periods by which these goals must be met;
- (5) Describe the financial obligations of the party if the requirements of the contract or agreement are not met;
- (6) State the name and address of the parent corporation of the recipient, if any; and
- (7) State all other financial assistance known by the department that was received by the recipient for the same project.

All contracts and agreements are governed by the applicable provisions of contract law.

The department is also required to submit an annual report regarding all economic incentives administered in the previous calendar year. The bill specifies the requirements of the report.