

RÉSUMÉ DIGEST

ACT 595 (SB 286)

2026 Regular Session

Duplessis

Exisitng law (R.S. 33:2740.3) creates the Downtown Development District of the city of New Orleans.

New law retains existing law and clarifies that the Downtown Development District of the city of New Orleans shall be classified as a political subdivision.

Exisitng law (R.S. 33:2740.3(C)) provides that the board shall be composed of 11 members, at least five of whom shall be qualified voters of the city of New Orleans, and shall have their principal place of business in, or own property in, the district. Provided that each board member shall be subject to confirmation by the New Orleans city council.

New law retains existing law and clarifies that each board member shall be nominated and subject to confirmation by a simple majority vote of the New Orleans city council.

New law provides that each nominating individual or entity shall provide its proposed nomination to the clerk of the city council and the city council shall timely consider the nomination for final appointment. Further provides that if any of the nominating entities set forth in existing law shall at any time cease to exist, then its right to nominate a member of the board shall revert to the mayor.

New law provides that the members of the board shall possess additional qualifications and shall be appointed as follows:

- (1) Two of the members shall be appointed by the mayor of the city of New Orleans.
- (2) One of the members shall be appointed by the New Orleans city council member representing City Council District B of the New Orleans city council.
- (3) One of the members shall be appointed by New Orleans & Company.
- (4) Two of the members shall be appointed by the New Orleans Chamber of Commerce, subject to approval by the president of the New Orleans city council.
- (5) One of the members shall be appointed by the Greater New Orleans Hotel and Lodging Association, subject to approval by the president of the New Orleans city council.
- (6) One of the members shall be appointed by the La. Restaurant Association, subject to approval by the president of the New Orleans city council.
- (7) One of the members shall be appointed by the member or members of the La. House of Representatives who represent the district.
- (8) Two of the members shall be appointed by the member or members of the La. Senate who represent the district.

New law retains existing law but mandates that the members are nominated instead of appointed and removes provisions requiring that certain members be approved by the president of the New Orleans city council.

Existing law provides that upon the first meeting, the members of the board shall be randomly allotted terms as follows: three members for one year each, three members for two years each, three members for three years each, and two members for four years each; the length of the term for each individual appointed to be determined by lot. Provides that the board members shall serve until their successors have been appointed and qualified. Further provided that each board member shall be required to annually provide an affidavit attesting that the board member has a principal place of business or owns property in the district.

New law provides that any newly appointed or reappointed board member shall serve a term of five years, provided that if at the expiration of any term of office of any board member a

successor thereto has not been elected, then the member whose term of office has expired shall continue to hold office until their successor shall be so appointed.

Existing law provides that the members of the board thereafter appointed by the mayor upon the expiration of the respective terms of the initial appointees shall be selected and appointed in accordance with the procedures in existing law prescribed for the selection and appointment of the original members for the term of five years. Further provides that vacancies shall be filled from nominations submitted by the New Orleans Chamber of Commerce.

Existing law provides that the mayor shall select and appoint one of two names submitted to him by the council for each of the five vacancies for which the council is to submit nominees. If the selection and appointment by the mayor does not take place within 30 days following submission of the nominees by the New Orleans Chamber of Commerce, the selection and appointment shall be made by the city council.

Existing law provides that any vacancy which occurs prior to the expiration of the term for which a member of the board has been appointed shall be filled in accordance with the procedures as set forth in existing law. Further provides that the New Orleans Chamber of Commerce may submit additional nominees to either the mayor or the city council, as applicable, until all vacancies pursuant to existing law are filled.

New law deletes prior law.

Existing law (R.S. 33:2740.3(F)) provides that the city council, in addition to all other taxes which it is now or hereafter may be authorized by law to levy and collect, is hereby authorized to levy and collect as hereinafter specifically provided for a term not to exceed 50 years from and after the date that the first tax is levied pursuant to the provisions of existing law in the same manner and at the same time as all other ad valorem taxes on property subject to taxation by the city are levied and collected, a special ad valorem tax upon all taxable real property situated within the boundaries of the core area development district.

New law retains existing law but changes applicability of the maximum 50-year term from and after the date that the first tax is levied pursuant to the provisions of existing law to after the next imposition of the tax.

Existing law provides that the number of mills hereby authorized shall be computed by dividing the number of mills levied and collected by the city of New Orleans for general operating purposes for the year 1977 into the number of mills levied and collected by the city of New Orleans for general operating purposes for the year 1978 and multiplying the result by 10. Further provides that no such tax shall be levied until a plan requiring or requesting the levy of a tax is finally and conclusively adopted in accordance with the procedures prescribed in existing law.

New law deletes prior law.

Existing law provides that the proceeds of the tax shall be used solely and exclusively for the purposes and benefit of the district. The proceeds shall be paid over to the Board of Liquidation, City Debt day by day as the same are collected and received by the appropriate officials of the city of New Orleans and maintained by the district in a separate account.

New law provides that beginning with revenues of the tax for the year 2027, and thereafter, the proceeds of the tax shall be paid over to the district day by day as the same are collected and received by the appropriate officials of the city of New Orleans and maintained by the district in a separate account.

Existing law provides that the tax proceeds shall be paid out by the Board of Liquidation, City Debt solely for the purposes herein provided upon warrants or drafts drawn on the Board of Liquidation, City Debt by the appropriate officials of the city and the treasurer of the district.

New law deletes prior law.

New law provides that in the event that bonds payable from the special tax authorized, levied and collected pursuant to the provisions of existing law have been issued, the district shall transfer to the Board of Liquidation, City Debt from the first revenues of the tax received in any calendar year, a sum equal to the principal and interest payable on the bonds in that calendar year. Further provides that after the revenues of the tax have actually been transferred to the Board of Liquidation, City Debt then all revenues of the tax remaining in that year shall be free for expenditure by the district for the purposes for which the tax was authorized by the voters.

Existing law provides that, notwithstanding any other provision of existing law to the contrary, no tax authorized in existing law shall be levied and no bonds shall be issued unless and until the maximum amount of the tax and the maximum amount of the bonds has been approved by a majority of the electors voting thereon in the city of New Orleans in an election called for that purpose. Provides that no bonds issued pursuant to existing law shall be general obligations of the state of Louisiana, the parish of Orleans, or the city of New Orleans.

New law retains existing law but changes the requirement that the maximum amount of the tax and the maximum amount of the bonds be approved by a majority of the electors voting thereon in the city of New Orleans and instead requires approval by a majority of the electors of the district.

Effective May 30, 2026.

(Amends R.S. 33:2740.3(A)(intro para) and 2740.3(A)(2), (C)(1) and (F); adds R.S. 33:2740.3(G)(5))