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## DIGEST

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HB 872 Engrossed

2018 Regular Session

Jimmy Harris

**Abstract:** Authorizes the governing authority of certain municipalities to establish a contract approval process with respect to contracts entered into by industrial development boards of the respective municipalities.

Present law provides that when not less than three persons, each of whom are qualified electors of a municipality or the parish, file with the governing body thereof an application in writing seeking permission to apply for the incorporation of an industrial development board of such municipality or parish, the governing body shall consider such application.

Present law provides that if the governing body by resolution finds and determines that it is wise, expedient, necessary, or advisable that the corporation be formed and authorized, the persons making such application shall proceed to incorporate in accordance with the provisions of present law (Title 12 of the La. R.S. of 1950). Provides that no corporation may be formed unless such application first has been filed with the governing body of the municipality or parish, and such governing body adopts a resolution as provided in present law. Provides further relative to articles of incorporation and provides relative to the governance and powers and duties of the board, including the authority to issue bonds. Provides with respect to the authority of the State Bond Commission to approve the bonds issued by the board.

Proposed law retains present law.

Proposed law authorizes the governing authority of municipalities with a population in excess of 300,000 persons to establish, by ordinance, a contract approval process with respect to contracts entered into by the industrial development board for the respective municipality. Requires that the ordinance provide for the types of contracts that will be subject to the approval process. Provides that if any ordinance relative to the approval of contracts for the issuance of bonds by the board conflicts with the provisions of present law, the provisions of present law will prevail.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 51:1157.4)