

1 annual audit reports to the Louisiana legislative auditor for three or more years; and

2 WHEREAS, certain municipalities have requested to be dissolved, but current
3 process may not offer them suitable options or may be cost prohibitive; and

4 WHEREAS, there is a clear need to review current dissolution, absorption, and
5 incorporation laws and procedures and to consider alternative ways of addressing dissolution
6 and absorption so that officials can address fiscally failing municipalities in a more effective
7 and efficient manner.

8 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana creates a task
9 force to study and make recommendations with respect to the dissolution or absorption of
10 fiscally distressed municipalities including any specific proposals for legislation, by written
11 report to the legislature and to the David R. Poynter Legislative Research Library as required
12 by R.S. 24:771 and 772, no later March 1, 2024.

13 BE IT FURTHER RESOLVED that the study task force shall consist of the
14 following members:

15 (1) The president of the Senate, or his designee.

16 (2) The speaker of the House of Representatives, or his designee.

17 (3) The chairman of the House Municipal, Parochial and Cultural Affairs Committee,
18 or his designee.

19 (4) The chairman of the Senate Local and Municipal Affairs Committee, or his
20 designee.

21 (5) The legislative auditor, or his designee.

22 (6) A representative from the legislative fiscal office.

23 (7) The attorney general, or his designee.

24 (8) The state treasurer, or his designee.

25 (9) The commissioner of administration, or his designee.

26 (10) A representative from the Louisiana Municipal Association.

27 (11) A bond attorney appointed by the president of the Senate.

28 BE IT FURTHER RESOLVED, that the president of the Senate shall select a
29 chairman from among these members; and

30 BE IT FURTHER RESOLVED that each designating authority shall submit the

1 names of designees to the task force to the secretary of the Senate no later than July 15,
2 2023.

3 BE IT FURTHER RESOLVED that no later than August 1, 2023, the chairman of
4 the task force shall convene the first meeting of the task force. At the first meeting, the
5 members may elect a vice chairman and other officers as the task force deems appropriate.

6 BE IT FURTHER RESOLVED that a majority of the task force shall constitute a
7 quorum for the transaction of business. All official actions of the task force shall require the
8 affirmative vote of a majority of the members.

9 BE IT FURTHER RESOLVED that the task force shall study such items as those
10 presented below and will recommend any action or legislation which the task force deems
11 necessary or appropriate. Such recommendations shall be made by the task force prior to the
12 2024 Regular Session of the legislature. These recommendations shall include suggestions
13 regarding necessary legislation and related time lines for drafting and introducing such
14 legislation. Study items shall include, but not be limited to, the following:

15 (1) Examples of how other states have dealt with fiscally failing municipalities.

16 (2) Examples of how other states have dealt with dissolution or abolition and
17 absorption issues and processes when addressing fiscally failing municipalities.

18 (3) Dissolution and absorption process that are currently available to Louisiana
19 municipalities, including their benefits and limitations.

20 (4) Continuance of revenue sources for a dissolved or absorbed entity.

21 (5) Continuance of revenue sources administered by an absorbing entity.

22 (6) Parcel fees employed on residents of dissolved or absorbed entities.

23 (7) Process related to overall transfer of assets when entities are dissolved or
24 absorbed.

25 (8) Assets used to pay off any debts remaining in a dissolved or absorbed entity and
26 transfer of assets.

27 (9) Tax incentives for absorbing entities.

28 (10) Issues related to transfer of debt.

29 (11) Strategies to employ if there are remaining debits in a dissolved or absorbed
30 entity, such as: any debts not paid by asset liquidation (in parameters of the dissolved entity)

1 should be restructured, as available, and the remaining amounts would be paid by an Ad
2 Valorem tax on citizens within the boundaries of the dissolved entity until paid in full.

3 (12) Possible expenditure decreases or increases to residents as a result of dissolution
4 or absorption.

5 (13) Effect on services provided to residents of dissolved or absorbed entities as well
6 those in the absorbing entity.

7 (14) If consolidation of larger governments like school boards or parishes also be
8 considered.

9 (15) If the study task force should become a more permanent task force that could
10 conduct feasibility studies to determine the need for dissolution or absorption of certain
11 municipalities and recommend such action to the legislature. The feasibility study could
12 focus on financial viability, ability to provide services, and qualifications of management
13 and staff to provide such services and if the task force should be the only task force to hear
14 and decide such actions.

15 BE IT FURTHER RESOLVED that the chairman shall call all meetings of the task
16 force. The task force may conduct such meetings at such places and at such times as it may
17 deem necessary or convenient to enable it to exercise fully and effectively its powers,
18 perform its duties, and accomplish the objectives and purposes of this Resolution.

19 BE IT FURTHER RESOLVED that the members of the task force shall serve
20 without compensation, but may be reimbursed for travel expenses.

21 BE IT FURTHER RESOLVED that the Louisiana House of Representatives,
22 Louisiana Senate, legislative auditor's office, state treasurer's office, and any other applicable
23 government entity may be called upon to provide staff to carry out the functions of the task
24 force.

25 BE IT FURTHER RESOLVED that the task force shall terminate on the date of the
26 submission of its report or March 1, 2024, whichever occurs first.

