

Regular Session, 2013

SENATE BILL NO. 50

BY SENATOR ERDEY

FUNDS/FUNDING. Establishes the Juban Crossing Economic Development District Fund as a special fund in the state treasury and provides for the disposition of certain sales tax proceeds within Livingston Parish. (7/1/13)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

AN ACT

To enact R.S. 47:322.21.1, relative to the disposition of certain sales tax collections in Livingston Parish; to establish the Juban Crossing Economic Development District Fund as a special fund in the state treasury; to provide for the deposit of certain monies into the fund; to provide for the uses of monies in the fund; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:322.21.1 is hereby enacted to read as follows:

§322.21.1. Disposition of certain collections in the Juban Crossing Economic Development District of Livingston Parish

A. As used in this Section, the following terms shall have the following meaning, unless the context requires otherwise:

(1) "Department" means the Department of Revenue.

(2) "District" means the Juban Crossing Economic Development District, which is the special district with boundaries defined and created by Livingston Parish Ordinance No. 07-24 pursuant to the provisions of Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950.

1 **(3) "Fund" means the Juban Crossing Economic Development District**
2 **Fund.**

3 **(4) "Parish" means Livingston Parish.**

4 **B. Except as provided in R.S. 47:322.21, the avails of the tax imposed by**
5 **R.S. 47:321 and as defined by R.S. 47:301 in the Juban Crossing Economic**
6 **Development District within Livingston Parish shall be credited to the Board**
7 **Security and Redemption Fund, and after a sufficient amount is allocated from**
8 **that fund to pay all the obligation secured by the full faith and credit of the state**
9 **which become due and payable within any fiscal year, the treasurer shall pay**
10 **the remainder of such funds into a special fund which is hereby established in**
11 **the state treasury and designated as the Juban Crossing Economic Development**
12 **District Fund.**

13 **C. The monies in the fund shall be subject to an annual appropriation by**
14 **the legislature. All unexpended and unencumbered monies in the fund at the**
15 **end of the fiscal year shall remain in the fund. The monies in the fund shall be**
16 **invested by the state treasurer in the same manner as monies in the state**
17 **general fund, and interest earned on the investment of monies shall be credited**
18 **to the fund.**

19 **D. The monies in the fund shall be used for the district's infrastructure,**
20 **including but not limited to costs of construction, on-site and off-site**
21 **preparation costs, public improvements which are essential to the preparation**
22 **for use in accordance with the district's development plans, and any other**
23 **improvements as provided by R.S. 33:9038.36. The monies in the fund may also**
24 **be pledged to secure the repayment of bonds, notes, or other evidences of**
25 **indebtedness, including any renewals, extensions, or refundings thereof, issued**
26 **by the district in order to provide funds for the purposes as provided in this**
27 **Subsection, including necessary and incidental expenses in connection with the**
28 **issuance of the obligations, the payment of principal and interest on the**
29 **obligations of the district, the establishment of reserves to secure such**

1 obligations, and all other purposes and expenditures of the district incident to
2 and necessary or convenient to carry out its public functions and any credit
3 enhancement for said obligations.

4 E. If the monies in the fund are pledged by the district to secure the
5 repayment of bonds, notes or other evidence of indebtedness, deposits to the
6 fund shall cease after all bonds, notes, and other evidences of indebtedness of
7 the district, including refunding bonds are paid in full as to both principal and
8 interest, and the fund shall cease to exist.

9 F. The amount of the state's funding commitment herein shall not exceed
10 a total of forty-five million dollars.

11 G. The Department of Revenue shall determine the amount of the avails
12 of the tax imposed by R.S. 47:321 and as defined by R.S. 47:301, except R.S.
13 47:301(14)(a), from within the geographic boundaries of the district and shall
14 report the amount to the state treasurer. As compensation for its obligations
15 hereunder, the department is authorized and directed to withhold from said
16 avails each month an amount equal to one percent of such avails, not to exceed
17 in the aggregate ten thousand dollars within any fiscal year.

18 Section 2. This Act shall become effective on July 1, 2013; if vetoed by the governor
19 and subsequently approved by the legislature, this Act shall become effective on July 1,
20 2013, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Jerry J. Guillot.

DIGEST

Present law (R.S. 47:322.21) creates the Livingston Parish Tourism and Economic Development Fund as a special fund in the state treasury. Proceeds of the state sales and use tax on hotel and motel occupancy in Livingston Parish are the source of monies in the fund. Monies in the fund are subject to annual appropriation exclusively for the purposes of the Livingston Parish Tourist Commission. Monies in the fund are invested by the treasurer as are those in the state general fund and interest accrues to the state general fund. Unexpended and unencumbered monies in the fund at the end of the fiscal year remain in the fund.

Present law (R.S. 47:302.41(B)) provides that the monies in the Livingston Parish Tourism and Economic Development Fund shall be subject to annual appropriation and that 50% of the monies in the fund shall be available exclusively for use by the Livingston Parish Tourist Commission for the purposes of promoting and enhancing tourism activities, and for

supporting all other activities consistent with the authorized mission of such commission. Provides that the remaining 50% shall be available exclusively for use by the Livingston Economic Development Council for the purpose of acquisition, development, and promotion of industrial parks within Livingston Parish.

Proposed law provides that, except as provided by present law, the avails of the tax imposed by R.S. 47:321 and as defined by R.S. 47:301 in the Juban Crossing Economic Development District within Livingston Parish, a special district created by Livingston Parish Ordinance No. 07-24 pursuant to Part II of Chapter 27 of Title 33 of the LRS, shall be credited to the Bond Security and Redemption Fund, and after a sufficient amount is allocated from that fund to pay all the obligations secured by the full faith and credit of the state which become due and payable within any fiscal year, the treasurer shall pay the remainder of such funds into a special fund which is hereby established in the state treasury, and designated as the Juban Crossing Economic Development District Fund.

Proposed law provides that the monies in the fund shall be subject to an annual appropriation by the legislature and all unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund. Provides for investment of monies in the fund and that interest earnings be credited to the fund.

Proposed law provides that the monies in the fund shall be used for the Juban Crossing Economic Development District's infrastructure, including but not limited to costs of construction, on-site and off-site preparation costs, public improvements which are essential to the preparation for use in accordance with the district's development plans, and any other improvements as provided by law for such projects.

Proposed law provides that monies in the fund may also be pledged to secure the repayment of bonds, notes, or other indebtedness issued by the district. Further provides that when such bonds or other indebtedness is fully paid, deposits to the fund shall cease and the fund shall cease to exist.

Proposed law limits the amount of the state's funding commitment to \$45 million.

Proposed law requires the Dept. of Revenue to determine the amount of the avails of the tax and report the amount to the state treasurer. As compensation for its obligations, the department may collect an amount equal to one percent of the avails, not to exceed \$10,000 in a fiscal year.

Effective July 1, 2013

(Adds R.S. 47:322.21.1)