

Regular Session, 2014

SENATE BILL NO. 64

BY SENATOR CORTEZ

AIRCRAFT/AVIATION. Expands powers of Lafayette Airport Commission to include economic development purposes. (8/1/14)

AN ACT

To amend and reenact R.S. 2:604(6) and (7) and 604.1(A)(1)(introductory paragraph), (2), (4) and (B) and to enact R.S. 2:604.2, relative to airport authorities; to expand the powers of the Lafayette Airport Commission to include economic development purposes; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 2:604(6) and (7) and 604.1(A)(1)(introductory paragraph), (2), (4) and (B) are hereby amended and reenacted and R.S. 2:604.2 is hereby enacted to read as follows:

§604. General powers of the authority

An authority will have all the powers necessary or convenient to carry out the purposes of this Chapter (excluding the power to levy and collect taxes or special assessments) including but not limited to, the power

* * *

(6) Subject to the approval of the State Bond ~~and Tax Board~~ **Commission**, the authority may make, in any year, contracts dedicating in whole or in part the

1 excess of annual revenues of subsequent years above statutory, necessary, and usual
2 charges. No such contract will have any longer term fixed for payment than ten years
3 from the date of the contract. No dedication of future revenues will be made which,
4 alone or with other prior dedications in force, exceeds the estimated excess of
5 revenues over the statutory, necessary, and usual charges of the year in which the
6 contract is made. This Section will not be construed to prohibit an authority from
7 providing by ordinance or resolution for the expenditure of funds derived from
8 miscellaneous or contingent sources actually collected, subject to the dedication of
9 such funds established by law.

10 (7) In addition to the authority granted in Paragraph 6 hereof, and subject to
11 the approval of the State Bond Commission and the Lafayette ~~Parish Police Jury~~
12 **City-Parish Council**, the Lafayette Airport Commission may issue bonds or other
13 debt obligations to construct, acquire, extend, or improve any revenue producing
14 work of public improvements. The bonds or other debt obligations may be secured
15 by the pledge of the income and revenues of such public work or work of public
16 improvement and no such bonds or other debt obligations will have any longer term
17 fixed for payment than twenty-five years. Any bonds or other debt obligations
18 issued under this subpart will not be a charge upon any other income or other
19 revenues of the Lafayette Airport Commission.

20 * * *

21 §604.1. Lafayette Airport Commission

22 A. Project Revenue Bonds.

23 (1) Subject to approval of the Lafayette **City-Parish Council** and the State
24 Bond Commission, the Lafayette Airport Commission, is hereby authorized to issue
25 revenue bonds in the manner provided for a municipal corporation or municipality
26 under the terms and provisions of R.S. 39:1011 et seq. for the purpose of financing
27 all or any portion of the costs of an airport related improvement projects or facilities
28 located on property that is or will become part of the Lafayette Regional Airport.
29 Such projects or facilities shall include but shall not be limited to:

* * *

(2) Such revenue bonds shall be issued in the name of the commission and shall not be general obligations secured by the full faith and credit of the commission, the Lafayette City-Parish Council, nor the state of Louisiana, but shall be limited obligations of the commission contemplated by Article 6, Section 37 of the Constitution of Louisiana. The principal, interest, and redemption premiums on the revenue bonds, if any, shall be payable solely from the income and revenue derived from the sale, lease, or other disposition of the project or facility so financed.

* * *

(4) In all other respects, the commission is authorized and empowered to issue its revenue bonds to finance projects or facilities as described in this Section under the authority contained in R.S. 39:1011 et seq., and the commission may contract with respect to such projects or facilities as herein provided. The commission may issue revenue refunding bonds in the manner provided by R.S. 39:1011 et seq., and such refunding bonds may be issued for the purpose of refunding any debt obligations issued by the commission only if approved by the Lafayette City-Parish Council and the State Bond Commission.

B. System Revenue Bonds. Subject to the approval of the State Bond Commission and the Lafayette City-Parish Council, the Lafayette Airport Commission may issue revenue bonds under the manner, terms, and conditions set out in R.S. 39:1011 et seq., and said commission may also issue revenue bonds in accordance therewith for the purpose of refunding any outstanding bonds or other debt obligations of the commission.

§604.2. Lafayette Airport Commission; additional economic development functions

A. In addition to any other powers and functions, the commission may perform the functions of an economic and industrial development entity. Such functions may include but shall not be limited to the following:

(1) Public relations, advertising, marketing, and providing and

disseminating information.

(2) Government relations, ombudsman, and government liaison.

(3) Financial and financing assistance.

(4) Tax abatement.

(5) Planning and coordination for economic development and resource utilization, including such functions as industrial and economic research and industrial programming and solicitation.

(6) Industrial training, technical assistance, and technology transfer.

(7) The use of public and other legal powers to facilitate development.

(8) Promoting transfer mechanisms to take ideas from their point of origin and development to commercially successful utilization by local enterprises.

(9) Fostering entrepreneurial activity for the Lafayette Regional Airport.

(10) Promoting the development of new products, processes, or services or new uses for existing products, processes, or services manufactured or marketed for the Lafayette Regional Airport.

(11) Supporting market research aimed at identifying new markets for local or regional products and processes, including international markets; determining the characteristics, needs and preferences of those markets; and developing new marketing techniques to exploit those markets.

(12) Fostering and supporting economic and industrial development and education in cooperation with private business enterprises, financial institutions, educational institutions, nonprofit institutions and organizations, state government and political subdivisions of the state, the federal government, and other organizations or persons concerned with research, development, education, commercial application, and economic or industrial development in ways which increase the economic base of the Lafayette Regional Airport.

B. For the purposes enumerated in Subsection A of this Section, the commission may engage in whatever activities and projects it deems most

1 appropriate to encourage and assist economic growth and development in
2 accordance with and pursuant to the provisions of this Chapter, including but
3 not limited to the following:

4 (1) To plan, acquire, construct, improve, maintain, equip, operate,
5 regulate and protect economic development facilities, including the acquisition,
6 maintenance and operation of buildings and other facilities, and the purchase
7 of and sale of supplies, goods, and commodities as an incident to the operation
8 of its properties. For such purposes an authority may, by purchase, gift, devise,
9 or lease, acquire property, real or personal, or any interest therein, including
10 easements in land outside the boundaries of such facility site.

11 (2) To establish or acquire and maintain economic development facilities
12 in, over, and upon any public waters of this state, any submerged lands under
13 such public water; and to construct and maintain buildings, landing floats,
14 causeways, roadways, and bridges for approaches to or connecting with any
15 such facilities, and landing floats and breakwaters for the protection thereof.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Sharon F. Lyles.

DIGEST

Cortez (SB 64)

Present law provides for the general powers of airport authorities and authorizes airport authorities to make contracts for a fixed term of no longer than 10 years and to dedicate excess future revenues above statutory, necessary, and usual charges subject to approval of the State Bond and Tax Board.

Proposed law changes present law to State Bond Commission.

Present law authorizes the Lafayette Airport Commission to issue bonds or other debt obligations to construct, acquire, extend, or improve any revenue producing work of public improvements subject to approval of the State Bond Commission and the Lafayette Parish Police Jury.

Proposed law changes present law to Lafayette City-Parish Council.

Proposed law authorizes the Lafayette Airport Commission to perform the functions of an economic and industrial development entity which functions may include but shall not be limited to the following:

- (1) Public relations, advertising, marketing, and providing and disseminating information.

- (2) Government relations, ombudsman, and government liaison.
- (3) Financial and financing assistance.
- (4) Tax abatement.
- (5) Planning and coordination for economic development and resource utilization, including such functions as industrial and economic research and industrial programming and solicitation.
- (6) Industrial training, technical assistance, and technology transfer.
- (7) The use of public and other legal powers to facilitate development.
- (8) Promoting transfer mechanisms to take ideas from their point of origin and development to commercially successful utilization by local enterprises.
- (9) Fostering entrepreneurial activity for the Lafayette Regional Airport.
- (10) Promoting the development of new products, processes, or services or new uses for existing products, processes, or services manufactured or marketed for the Lafayette Regional Airport.
- (11) Supporting market research aimed at identifying new markets for local or regional products and processes, including international markets; determining the characteristics, needs and preferences of those markets; and developing new marketing techniques to exploit those markets.
- (12) Fostering and supporting economic and industrial development and education in cooperation with private business enterprises, financial institutions, educational institutions, nonprofit institutions and organizations, state government and political subdivisions of the state, the federal government, and other organizations or persons concerned with research, development, education, commercial application, and economic or industrial development in ways which increase the economic base of the Lafayette Regional Airport.

Proposed law provides that for such enumerated purposes, the Lafayette Airport Commission may engage in whatever activities and projects it deems most appropriate to encourage and assist economic growth and development, including but not limited to the following:

- (1) To plan, acquire, construct, improve, maintain, equip, operate, regulate and protect economic development facilities, including the acquisition, maintenance and operation of buildings and other facilities, and the purchase of and sale of supplies, goods, and commodities as an incident to the operation of its properties. For such purposes an authority may, by purchase, gift, or lease, acquire property, real or personal, or any interest therein, including easements in land outside the boundaries of such facility site.
- (2) To establish or acquire and maintain economic development facilities in, over, and upon any public waters of this state, any submerged lands under such public water; and to construct and maintain buildings, landing floats, causeways, roadways, and bridges for approaches to or connecting with any such facilities, and landing floats and breakwaters for the protection thereof.

Effective August 1, 2014.

(Amends R.S. 2:604(6) and (7) and 604.1(A)(1)(intro para), (2), (4) and (B); adds R.S. 2:604.2)