

New law creates the Cooperative Local Government Infrastructure Act to stimulate a partnership between government and the private sector for business growth in depressed areas of the state through local incentives for private sector funding of local public infrastructure. Provides that new law is only applicable to agreements that expressly cite new law as authority.

Authorizes political subdivisions and political corporations to enter into a cooperative endeavor agreement with a public or private association, corporation, or individual to carry out a local infrastructure project to achieve a public purpose. Requires that any capital improvements be on public property and consistent with the purpose of new law.

Provides that cooperative endeavor agreements may provide for the investment, pledge, use, or deposit of private funds and the guarantee by the public or private association, corporation, or individual of certain financial obligations, to achieve the goals set forth in the agreement. Requires that the agreement state how the availability of the funds or guarantee will result in the furtherance of a public purpose.

Provides that the cooperative endeavor agreement set forth in reasonable detail the following:

- (1) The obligations of the various parties.
- (2) A showing of reasonable expectations that the benefits to be received by the local government authority equal or exceed any local tax rebates, tax credits, or other incentives to be awarded.
- (3) Consequences to the public or private association, corporation, or individual in the event of a default or breach of the agreement by the association, corporation, or individual that shall include a repayment to the local governmental entity when appropriate, of any rebates, tax credits or other incentives awarded or expenses incurred.

Allows tax rebates, tax credits, or other incentives for qualified donations made to a local governmental entity for a qualified project subject to the following limitations:

- (1) A participating donor submits to the chief financial officer designated by the local governmental entity a written report reasonably documenting the cash, equipment, goods, or services donated pursuant to a cooperative endeavor agreement for a qualified project, including supporting documentation as may be deemed necessary by that officer. Prior to the approval of tax rebates, tax credits, or other incentives for a qualified donation under the cooperative endeavor agreement, the officer shall verify the value of the qualified donation.
- (2) The local governmental entity may approve a tax rebate, tax credit, or other incentive to the donor for the verified qualified donation in an amount equal to one-half of the value of the cash, equipment, goods, or services donated, or five hundred thousand dollars, whichever is less. The total amount of the tax rebates, tax credits, or other incentives which may be received by any donor in any fiscal year is limited to \$500,000.

Provides for definitions of "qualified donation" and "qualified project".

Authorizes the local governmental entity to promulgate such rules and regulations as may be deemed necessary to carry out the purposes of new law.

Provides that it shall apply to verified qualified donations made after July 1, 2014.

Effective upon signature of the governor (June 19, 2014).

(Adds R.S. 33:7631-7634)